2.7 Institutional Advancement Policies

2.7.1 Classification as a Gift or Grant Policy

<table>
<thead>
<tr>
<th>CLASSIFICATION AS A GIFT OR GRANT POLICY</th>
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<tbody>
<tr>
<td>Effective Date: May 8, 2017</td>
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<tr>
<td>Policy Number: II-2.7.1</td>
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<tr>
<td>Supersedes: Not Applicable.</td>
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<tr>
<td>Issuing Authority: President</td>
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<tr>
<td>Responsible Officer: Vice President for Institutional Advancement</td>
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<tr>
<td>Applicability: All members of the Canisius College community.</td>
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</tbody>
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PURPOSE

Both gifts and grants received by Canisius College are voluntary support from external sources, and their characteristics often make them difficult to distinguish from one another. In addition, sponsoring entities, private foundations, or donors may use the terms interchangeably in both conversation and in the donative instruments, contributing to the complexity. Proper classification of gifts and grants in the accounting records is crucial to ensure the college’s external financial statements are presented accurately. This policy is established to help differentiate gifts from grants and to create consistency in the treatment of these funds.

POLICY

The decision as to whether a particular award should be considered a grant or gift cannot be made based upon the presence or absence of a single characteristic. The award must be looked at in total and the intentions of the grantor/donor must be taken into consideration. A donor’s stated intention should be the primary criteria used in the decision making process as to its proper classification.

DEFINITIONS

Grant— an externally funded activity where there is an agreement representing the transfer of money or property from a sponsor in exchange for specific goods or services. Gifts often include rights to and products derived from services and other obligations such as, formal financial and/or technical reporting. The agreement is legally binding on both parties and performance must be completed within the stated terms with support being revocable for cause.

Gift Characteristics:

- Use of funds is restricted by the sponsor, prior sponsor approval required for budget revisions and disallowance of specific types of expenditures
- Sponsor retains the right to revoke award based on stated circumstances
- Sponsor defines how unused funds are to be handled
- Money is provided to achieve a specific project and must be completed within a specific period of time
- Money is awarded based on a grant proposal submitted by the college
- The sponsor requires external audits, detailed financial reports, invoices and/or technical status reports as a condition of the award

Determinations involving private foundations are to take into consideration the following: private foundations may use very standard grant proposal forms or electronic formats with grant-sounding language or structure, and may use the term “grant” even though it does not meet Canisius’ definition of a grant.

Gift— a voluntary and irrevocable transfer of money, services or property from an external donor for either unrestricted or restricted use in promoting the college’s goals. No commitment of resources or services is required other than the stated donor restrictions.

Gift Characteristics:
• Donor refers to award as a gift, donation, or contribution and intends the award to be a charitable gift.
• The donor does not impose contractual requirements.
• The funds are rewarded with the intention to be irrevocable.
• Award is from a non-governmental source.
• Award is given for purposes of endowment, capital projects, general student financial assistance or for other general operations of the college.
• No technical or progress reports are required. These reports should not be confused with general stewardship reports which should occur on a regular basis or upon request from a donor.

The presence of the following factors does not prevent funding from being classified as a gift:

• The opportunity for a donor to receive periodic materials that update the donor about the activities of the department, center or program and the impact and use of gift funds in those activities;
• Giving appropriate publicity to a gift in publications, news releases, etc.;
• Informing the donor of the outcome of a selection or appointment process;
• Standard reporting on the investment and expenditure of funds common to stewardship reports;
• Designating the funds to support a specific faculty member’s research or project, or a specific research program area;
• Restriction on how or when the funds will be expended

Sponsorship – donated funds where the fair market value of the benefits that are associated with the financial transaction meet or exceed the payment amount. Sponsorships are usually directed toward special events or programs, where public recognition of the gift and/or an exchange of services are expected, such as a company table at an event or displaying the company logo as a form of marketing. Sponsorships are considered irrevocable gifts and should be recorded as the amount of the gift minus the non-deductible cost of the benefits provided.

PROCEDURES/GUIDELINES

Responsibilities

Institutional Advancement- is responsible for administering all fundraising campaigns and significant gift solicitations and the acceptance of gifts on behalf of the college. Responsibilities include identifying sources and giving opportunities, developing gift terms and conditions, acceptance of gifts, and gift receipting, as well as recording of gift pledges and payments received within the college’s administrative software system.

Director of Corporate & Foundation Relations- is responsible for negotiating and accepting agreements on behalf of the college for grant related projects funded by corporate or private foundations, and other public and private sources. The director solicits grant proposals and finalizes terms and conditions proposed by the sponsor. If there are terms and conditions that impose contract or grant like restrictions, as well as reporting requirements, the director of corporate & foundation relations assists in reporting back to the sponsoring organization in conjunction with the director of the funded project.

Office of Sponsored Programs- is responsible for supporting faculty research by identifying funding opportunities and assisting faculty to apply for and administer grants from private and governmental organizations; provides support to faculty in the preparation and submission of proposals which includes determining the sponsor’s requirements and preparation of budget and forms according to the guidelines established by the college; Negotiates and contractually accepts awards on behalf of the college; prepares subaward agreements to other institutions and organizations; and contacts the sponsor as required for any post-award changes or requests.

Business & Finance- is responsible for monitoring and overseeing gift policy compliance. Business & Finance is responsible for accurate recording of donations in the form of checks, wires, stocks, funds functioning as endowment, and true endowments, posting revenue and budget entries, transferring funds, completing monthly reconciliations, assisting departments with gifts and endowments processing issues, and providing accurate and timely financial data to the campus community and external entities. The Office of Business & Finance also assists Sponsored Programs and the director of corporate & foundation relations in gathering grant financial and/or technical reports to be recounted back to the sponsor.

If further assistance is needed to determine the classification of a gift or grants, please contact the Business and Finance group. Final determination regarding the classification of an award will be made through consultation between the Business and Finance group and Institutional Advancement.

Grant Determinations

When an award is deemed to be a grant, Institutional Advancement must notify the Office of Sponsored Programs and the grants accountant and send the grant award notification letter to the Controller’s Office. A grant from an organization, private or public company should be entered in banner with the coding GR. Grants from government agencies are not to be reported in the College's administrative software system. Government grants are reported separately outside of Institutional Advancement.

RELATED POLICIES

Fundraising and Gift Acceptance Policy
Gift Accounting Policy
Grant Accounting Policy

2.7.2 Fundraising and Gift Acceptance Policy


FUNDRAISING AND GIFT ACCEPTANCE POLICY

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<th>Effective Date:</th>
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<td>Policy Number:</td>
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<tr>
<td>Supersedes:</td>
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<td>Issuing Authority:</td>
<td>College President</td>
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PURPOSE

The purpose of this policy is to define the types of gifts accepted by the college and to provide a set of policy guidelines and procedures by which such gifts are solicited, accepted, and acknowledged by Canisius College. In addition, this policy sets forth guidelines and procedures regarding endowed funds and naming opportunities.

POLICY

Institutional Advancement has been delegated by the Canisius College Board of Trustees to advance the mission and goals of Canisius College through outreach initiatives and fundraising efforts designed to engage the college’s external constituencies, including alumni, donors, friends, and members of the community. Before formally accepting a gift, Institutional Advancement determines that gifts to the college are evidence of philanthropic intent and that the donor’s philanthropy is in accord with the stated mission and goals of the college. All charitable and philanthropic funds will be obtained with dignified, ethical, business and fundraising practices.

When soliciting or accepting private contributions for the benefit of the college, all private gifts (monetary, in-kind, or promises to give) must abide by IRS guidelines for tax deductibility (IRS Reg. 170) and follow the policy guidelines and procedures set forth in this policy.

Although Institutional Advancement is the principal fundraising arm of the college, fundraising activities on the part of individuals, college departments, or other college groups or organizations are welcomed. However, to avoid conflicting communication, no person, department, or organization of the college is authorized to solicit an individual, organization, corporation, or foundation for an outright donation or gift in the name of Canisius College without prior clearance from Institutional Advancement. This includes but is not limited to the solicitation of sponsorships, gifts of equipment, or direct contributions of money, plus anything else that qualifies as a donation. Institutional Advancement will ensure that, in the solicitation for support from such sources, college priorities are observed and plans for such programs, projects, or activities have been reviewed and approved in advance of solicitation by academic, financial, and other appropriate administrative officers. When in doubt, college personnel, departments, students, clubs/organizations, and representatives of the college must consult with Institutional Advancement.

Additionally, requests for fundraising services (i.e. faculty or programs seeking funding for projects, initiatives, etc.) shall be promoted up the direct chain of command, with the ultimate approval authority resting with the division vice president. The vice president, or designee, will forward fundraising requests to Institutional Advancement.

When soliciting charitable contributions, no college personnel, department, or representative of the college or a college group or organization is authorized to commit Canisius College to an agreement which is in conflict with established college policies and procedures, or that compromises, in any manner, the position of any office or department in the performance of its assigned responsibilities. As a general rule, a solicitation for a major gift is made for a specific project and may either be restricted or unrestricted. Prior to acceptance, a bequest or restricted gift must be assessed to assure that it does not place unreasonable constraints or requirements on the college. While the college will accept gifts which are restricted so as to affirmatively assist particular individual or group efforts, it is the policy of the college to seek to encourage the donor, when appropriate, to allow language in any gift documents permitting use of the funds for general purposes.

Gifts will not be accepted by the college if they are offered on the condition or with the understanding that the award will be made to a student of the donor’s choice. The college will pay no fees to any person in consideration of directing a gift or completing a gift instrument to the college and its fundraising campaigns.

Gifts are not generally subject to an exchange of consideration or other contractual duties between the college and the donor, except for gifts of real property and certain deferred gifts as set out in this policy; although objectives may be stated and funds may be restricted to a specific charitable purpose acceptable to the college. Fundraising activities, including special events, may have a non-gift element; the value of the non-gift element will be determined and subtracted from the total amount to determine the contribution portion.

In addition, no person, department, or organization of the college is authorized to remit an official gift receipt. Only Institutional Advancement is permitted to issue such receipts. A gift receipt recognizes the dollar value of the contribution less any goods and services received. Individuals may send thank you letters, but the letter may not indicate or imply that it is substantiation from the college for the purposes of tax deductibility.

DEFINITIONS

Annual Fund—any organized effort by the college to secure gifts on an annual basis, either by mail or through direct solicitation, or both. Gifts, unless otherwise designated, benefit the unrestricted operating funds of the college.
Capital Campaign or Major Gifts—A campaign to raise substantial funds for a nonprofit organization to finance major building projects or major program initiatives, supplement endowment funds, and/or meet other needs that require significant investment.

College Personnel—Canisius College trustees, executive officers, administrators, faculty, staff, student employees, contractors, and others who act on behalf of the college.

Deferred or Planned Gift—The creation of a vested future interest in property for the benefit of a charitable organization. Current value is ascertainable using actuarial tables.

Donor/Benefactor—An individual, corporation, foundation, or organization that has made a gift to the college.

Endowment—Funds that are kept intact and permanently invested, a portion of the earnings from which are applied to purposes designated at the outset by the donor.

Gift—a voluntary and irrevocable transfer of money, services, or property from an external Donor for either unrestricted or restricted use in support of the college’s goals. No commitment of resources or services is required other than the stated donor restrictions.

Gift in Kind—a Gift of goods and/or services which may be used in the operation of the organization, or may be converted to cash assets with the authorization of the donor, at the discretion of the college.

Quasi-Endowment—funds that a board of trustees decides to retain and invest for a long but unspecified period with the caveat that the board may expend the principal of such funds at any time. There are two types of quasi-endowments: restricted and unrestricted. With restricted quasi-endowments, the board earmarks the funds for an intended purpose. With unrestricted quasi-endowments, the board has the authority to decide at any time to expend the total dollar amount and to designate how the earnings are to be spent.

Restricted Gift—gifts given or paid wherein the donor or granting and contracting organization has specified that the gift to be used to support specific programs or projects.

Unrestricted Gift—nature of a gift that it is donated to be used where it is most needed by the charitable organization as determined by the organization leadership.

PROCEDURES/GUIDELINES

Management and Reporting of Gifts

Canisius College reserves the right to treat each gift on an individual basis, and thereby reserves the right to accept, reject, or modify any agreement and/or gift. In general, the college will not accept gifts that (a) would result in the college violating its corporate charter, (b) would result in college losing its status as a § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for the college, or (e) are for purposes outside the college’s mission. Moreover, the college’s management and reporting of gifts will be guided by the standards of accounting and reporting established by the Internal Revenue Service (IRS), the Council for Advancement and Support of Education (CASE), and the National Association of College and University Business Officers (NACUBO).

The college accepts gifts in a number of forms as outlined below. Outright gifts of cash and marketable securities are preferable to less liquid assets. Other assets may be accepted with appropriate consideration. For some donors, substantial gifts are best made by bequest, through a life-income arrangement, retained life estate, or other planned gift.

Gift Acceptance Guidelines

A solicitation for a gift may stress the advantages of an unrestricted gift in the form of cash or liquid securities. Other forms of giving, such as planned or deferred gifts, are acceptable and may offer qualified donors an attractive alternative. Such gifts may enable donors to significantly increase the level of their gifts while taking advantage of some meaningful commemorative or named gift opportunities.

Tax and Legal Advisors:

- Donors: The college will advise all donors to seek their own tax and legal counsel and does not render tax, legal, or financial advice.
- College: The college will seek the advice of a tax and/or legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for gifts of securities that are subject to restrictions or buy-sell agreements; documents naming the college as trustee or requiring the college to act in any fiduciary capacity; Gifts requiring the college to assume financial or other obligations; Transactions with potential conflicts of interest; and gifts of property which may be subject to environmental or other regulatory restrictions.

Gift Valuation: Gifts are valued in accordance with the college’s Gift Accounting Policy on the date the donor relinquishes control of the assets in favor of the college.

Crowdfunding: College faculty, staff, and students who wish to use crowdfunding as a means of supporting college-related projects should use a college-approved crowdfunding site. This will ensure that the project is branded with the college’s name and collateral, that gifts to the projects are tax deductible, and that the college is equipped to recognize and steward those donors. This will also ensure that no tax liability accrues to an individual as a result of receiving the funds personally through an external crowdfunding site. The funds will go directly into a college gift fund designated for the project’s use and gifts will be properly receipted to the donors. If an external crowdfunding site is used, the name and branding of the college may not be used in relation to the project, as this would constitute the unauthorized acceptance of gifts on behalf of the college.

Gift Types
Methods of giving generally accepted by the college are:

1. **Outright Gifts**

*Gifts of Cash/Checks/Credit Cards:* Cash gifts include currency, personal checks, cashier’s check, money orders and credit card payments (including payments made online) for outright gifts for which the donor receives an income tax deduction as prescribed by law.

Cash gifts are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy. A donor has the option to restrict some or all of the cash gift to a specific program or department.

The donor is credited with the full amount of the cash gift. In cases where the donor receives something of value in return for the donation, the donor will be made aware of the cost of the benefit received. In these cases, the gift processor deducts the cost of the benefit received against the donation. Additionally, in some cases a currency exchange requirement may be necessary and will be reflected on the gift receipt with both currency values illustrated.

All checks must be made payable to the college and not to an employee, agent, or volunteer for the credit of the college. Checks are deposited in the ordinary course of business and no employee or agent of the college is permitted to delay deposit of such.

Donors may make gifts to the college through donor-advised funds or charitable checking accounts. On such an occurrence, Canisius will credit the donor-advised fund or charitable organization for the gift. If the gift is payment against a pledge, the pledge must be reduced by the corresponding gift amount. Receipts are not generated for gifts from donor-advised funds or charitable checking accounts, however, acknowledgment letters are completed as requested by the organizations or charities administering the accounts. Memo credit will be provided to the donor facilitating the gift request.

Donors whose gifts are matched by a company receive memo credit for the matching amount in accordance with the college’s Gift Accounting Policy.

*Gifts of Appreciated Publicly Traded Securities:* These include all gifts of stocks, bonds, and other negotiable securities, which are (or will be) readily marketable. Marketable publicly traded securities are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy.

It is college policy to immediately liquidate any gifts of publicly-traded securities unless retention of the specific security is consistent with the college’s investment practices. If a donor is an officer or director of the issuing corporation, the College will inquire as to whether any Securities and Exchange Commission (SEC) Rule 144 restrictions apply that limit the college’s ability to sell the donated securities.

The college will not receive or process proposed transfers of stock that have no current market value (i.e., “worthless stock”) at the time a transfer to the college is proposed.

Securities controlled under SEC Rule 144 are held until the restriction on the sale expires and then they are immediately sold in the matter indicated above.

*Gifts of Closely Held Stock:* This is a gift of stock of a private or family held corporation. The donor may avoid capital gains on appreciation of the closely held stock while attaining a tax deduction based on the stock’s fair market value. Such gifts are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy.

*Gifts of Real Estate:* Gifts of real estate pose special legal and financial considerations and, therefore, may be accepted only with the approval of the vice president for institutional advancement and the president of the college, in consultation with the vice president for business and finance. Whenever feasible, a prospective donor will be encouraged to sell the real estate in contemplation for donation to the college. Gifts of real estate are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy.

Prior to approval, the following items must be completed to the satisfaction of the vice president for business and finance and the vice president for institutional advancement:

- Phase I Environmental Audit;
- Certified appraisal to establish the value of the property within sixty (60) days of the date of gift;
- Legal description of the property;
- Photographs of the property and/or a site visit;
- Title insurance binder for the property within thirty (30) days of the date of gift naming the college as the insured, at standard rates, subject to a legal opinion as to exceptions from coverage.

The above should be provided at the donor’s expense. The donor is ultimately responsible for substantiating the value of any charitable deduction. The college reserves the right to cover certain expenses if the value of the gift is a substantial amount.

*Bargain Sales:* A donor may elect to sell a piece of real estate to the college at a price less than fair market value. The IRS considers the difference between the fair market value and the selling price to be a gift and therefore produces an income tax deduction for the donor. The college benefits by acquiring property or by selling the property to a third party at market value. Bargain sales are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy.

*Gifts of Tangible Personal Property and Gifts-In-Kind:* The college will accept gifts of tangible personal property from individuals and in-kind gifts from organizations and corporations in accordance with the procedures established below. In general, all gifts of tangible personal property must further the college’s mission or be readily marketable. The final determination of need rests with the vice president for institutional advancement in consultation with the appropriate department and the college president.

Outright gifts of tangible personal property, for which individual donors qualify for a charitable gift deduction under current IRS regulations, are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy. Unless otherwise authorized by the board of
trustees, the college will seek to liquidate such assets in order to secure the cash needed to fund its programmatic and/or facility priorities. Once a gift is accepted, the item becomes college property. If at any time the college wants to sell or otherwise dispose of the gift, the disposition must follow college policy.

Generally, the college’s acceptance of non-cash gifts will not involve significant additional expense for their receipt, present or future use, insurance, maintenance, or administration. In addition, the college will not incur burdensome financial or other obligations, directly or indirectly, unless approved by the board.

The college will not accept gifts of tangible personal property, such as books, paintings, etc., if such gifts are to be made on the condition, understanding or expectation that the gifts items will be loaned to the donor or to persons designated by the donor for life or for an extended period of time as determined by the donor.

Canisius College will accept works of art and provide donors with charitable deduction receipts for these gifts in kind, on the following conditions:

- Upon transfer to Canisius, the works of art become the property of the college and the decision to display, manage, or even sell is within the discretion of the college;
- Artwork is put on display as much and as widely as possible, but it is not possible to guarantee a permanent location for a particular piece or even a commitment to display all items in a collection at all times;
- In accordance with IRS guidelines, an artist who donates his or her own work of art may receive a charitable contribution only for the cost of the materials used to create the artwork but not for the resale value of the piece;
- In the case of a donor who is not the artist, an appraisal by a professional third party must be provided by the donor at the donor’s expense;

**Gift of Service:** As a general guideline, gifts of service are not a tax deductible donation and should not be recorded for accounting purposes, but the volunteer may receive recognition credit for the service. In order for an organization to claim a charitable contribution, the individual must receive income and in return give money or tangible goods back to the charitable organization. Employees or independent contractors of the college may not forfeit pay for services and then make a donation of the same amount. A Form W-2 or 1099-Misc needs to be issued for time worked at the college. Per IRS Publication 526, you cannot claim a deduction for the value of your time or services.

**Cashless Stock Options Exercise Programs:** This gift is an exercise of stock options tied to a donation of the stock to the college. Individuals can realize a tax write-off while the college benefits from the difference between the sale price and the exercise cost. Such gifts are receipted, reported, and recognized in accordance with the college’s Gift Accounting Policy.

**Corporate Matching Gifts:** These gifts will be encouraged and credited in accordance with the college Gift Accounting Policy. The college does not accept pledges of matching gifts from donors nor can the pledge be increased to include a potential matching gift. Only the corporation itself can pledge a matching gift.

**Professional Services and Volunteer Travel Expenses:** The goal of any campaign is to realize real and applicable financial resources. Therefore, while the college is grateful for the involvement of volunteer leadership, these gifts are not credited to the campaign or recorded in annual donor categories. An individual functioning as a trustee, alumni board member, volunteer, or committee member is not eligible to donate volunteer time dedicated to the college-related activities as a gift of professional services. If the individual is retained, either by contract or similarly in writing, to perform a professional service, that individual may be able to donate the payment for professional services back to the college. An individual functioning as a trustee, alumni board member, volunteer, or other similar committee member is eligible to deduct related travel expenses as defined by IRS guidelines. However, the college does not record that travel as a gift, include it in campaign or other giving program totals, or credit the individual in donor categories.

### 2. Pledges

Pledges allow a commitment to be paid at a future date or over a period of time based on an agreed-upon payment schedule. Pledging a gift over a three-to-five-year period may allow a donor to make a more substantial gift while affording him/her the opportunity to adjust the timing and amount of each payment to achieve the most beneficial tax treatment. Most annual gifts are not pledged beyond the fiscal year in which they are requested. Annual fund pledges are subject to review on a six month rolling cycle. Capital and endowment pledges are reviewed with the Office of Business and Finance in cooperation with Institutional Advancement gift officers on a yearly basis for determination of donor intent to pay.

### 3. Deferred or Planned Gifts

Deferred or planned gifts are different from outright gifts as the college does not realize an asset until some point in the future. It is for this reason – the uncertainty of timing of realization – that the college records deferred gifts separately from outright gifts. As a general guideline, any unrestricted bequest less than $10,000 is designated to annual fund – unrestricted, and any bequest $10,000 or greater is designated to endowment – unrestricted. When a bequest of less than $10,000 is received and general scholarship is indicated, the gift will be designated to annual fund – tuition assistance for students. Any bequest $10,000 or greater will be designated to endowment – commemorative scholarship fund. The general rule applies, unless consultation with the family is appropriate.

In accordance with the college’s Gift Accounting Policy, the college reports the planned gift’s face value and present value. Present value of deferred gifts may be counted for campaign purposes. Total value may be counted if donor is over 70 1/2 years of age.

Planned gifts may be made through the following:

**Bequest by Will or Living Trust** – A donor may name the college as beneficiary in his/her will or trust directing that the college receive an outright distribution or annual payments from the donor’s estate.

**Gifts of Retirement Plan Assets** – A donor may contribute retirement plan assets to the college by means of testamentary bequests and transfers to charitable remainder trusts.

**Charitable Trusts** (irrevocable) – Trusts are legal documents and are not the property of the college.
Charitable Remainder Unitrust – This trust pays a set percentage of the trust’s principal, as calculated annually, to the income beneficiary for life or a set term of years (i.e., the amount of the annual payments fluctuate). Additional gifts may be made to the trust at any time. When the income beneficiary dies or the term of years expires, the principal goes to the college and perhaps additional charitable beneficiaries. Trust assets must be managed separately for each trust. Proposed charitable remainder annuity trusts for which the college is trustee and/or administrator must be funded initially with an asset threshold determined by Institutional Advancement.

Charitable Remainder Annuity Trust – This trust differs from the unitrust in that the annual income payment is a set dollar amount determined when the trust is established. No additions to the trust are allowed after the trust is established. Trust investments are managed separately for each trust.

- Proposed charitable remainder annuity trusts for which the college is trustee and/or administrator must be funded initially with assets of at least $100,000.
- The college recommends that trusts be limited to one or two income beneficiaries.
- Donors are encouraged to name a trust company, the trust office of their bank, or their community foundation as trustee.

Charitable Lead Trust – This trust pays to the college (and perhaps another charitable organization) a stream of payments for a specified period of years, at the end of which time the assets of the trust are distributed to non-charitable designees (e.g., the donor’s children or grandchildren). The assets of this trust must also be managed separately.

- Proposed charitable lead trusts must normally be funded initially with assets of at least $200,000.
- Income received by the college as the result of a charitable lead trust is used and/or invested by the college for the purposes specified in the trust agreement. In those cases where the trust agreement indicates no specific purpose, income received is treated as an unrestricted asset of the college.

Charitable Gift Annuities (irrevocable) – Annuities are owned by the college. Proposed charitable gift annuities are funded initially with assets the fair market value of which is at least $10,000.

- Immediate Payment of Gift Annuity – In exchange for a gift, the donor/annuitant is guaranteed a fixed annual income during each annuitant’s life. Upon the death of the annuitant(s), the funds are directed to the college as designated by the donor. The annuity ends with the death of the last income beneficiary.
- ___Annuity payments are made at the donor’s choice: quarterly, semi-annually or annually.
- Deferred Payment Gift Annuity – A deferred payment gift annuity is governed by the same rules described in the preceding paragraph, with the exception that the first annuity payment to the annuitants is delayed for one or more years following the effective date of the agreement. The interest earned in the interim is credited to the contract, which increases the amount of the annuity.

Retained Life Estates in Real Property – In such an arrangement the donor gives a remainder interest in a personal residence, second home or farm. The property is gifted to the college but the donor retains the right to occupy the property until death, at which time all rights to the property pass to the college. The donor usually pays all expenses related to the property during his/her lifetime, but various alternative arrangements may be negotiated by the college president and the vice president for institutional advancement.

Gift of Life Insurance – The college accepts gifts of new and existing whole life insurance (no term or non-dividend policies). The donor or insured designates the college as the sole owner and irrevocable beneficiary. The college will not accept gifts of life insurance policies that have a loan against the value without the consent of the president. All policies will provide for waiver of premiums in case of disability. There will be no automatic loan provisions. If the donor does not respond to a premium bill by the due date, the college will cash it in for the surrender value. At all times, the college reserves the right to cash in the policy or retain it as an investment.

Endowed Fund Guidelines

- The amount needed to establish a named endowment at Canisius College is $50,000.00. The fund may be started with a smaller amount provided that it is the intention of the benefactor to reach the $50,000 level over time.
- Minimum amount to establish academic department funds, professorships, and chairs will be determined by the vice president for institutional advancement in consultation with Senior Leadership Team.
- In the case of scholarship funds, the benefactor may specify that the scholarship is to be awarded (a) solely on the basis of academic merit, (b) solely on the basis of financial need, or (c) on a combination of academic merit and financial need.
- The benefactor may further specify that the scholarship should be given to (a) student(s) in the College of Arts & Sciences or a specific department within that college, (b) student(s) in the Whelple School of Business or a specific department within that school, (c) student(s) in the School of Education and Human Services or a specific department within that school or (d) students within a particular class or category that is sufficiently broad and whom the college wishes to recruit (e.g. graduates of principal feeder high schools).
- The benefactor may suggest other criteria for the awarding of the scholarship, but such restrictions must be discussed with the college to ensure that the targeted class is of a sufficient size that would enable the college to award the scholarship each year.
- With respect to any criteria desired by the benefactor, the college prefers that all criteria be stated as a first preference: that is, that if the college, after reasonable efforts, is unable to award the scholarship to a student meeting the exact criteria, the college would undertake to award the scholarship to another worthy student who meets as many of the criteria as possible. After criteria are established, the college’s Office of Student Records and Financial Services will select students based on criteria for a particular scholarship.
- Scholarship accounts may not be established to make tuition payments and/or provide for financial gain for a related party or family member of the donor. A donor or member or representative of the donor’s family may not solely select the recipient(s) of a named scholarship; however, a donor or member or representative of the donor’s family may participate in an objective selection process as a member of a committee, in which case donors or their family members or representatives may not make up the majority of the committee. Members of a selection committee must disclose any relationship with any applicant and in the case of a relationship that would create the appearance of a conflict of interest, must refrain from voting on that particular applicant.
- Benefactors establishing an endowed scholarship will receive an annual accounting of the scholarship fund from the college. The accounting will include the current market value and the name(s) and amount awarded for any recipient during that year.
- In the case of donations made to the college in honor of or in memory of another person, the college will consult with the individual or family of the individual so honored to ascertain the honoree’s wishes. If there is a desire to fund the scholarship at the minimum level
(whether through the solicitation of donations from others or through a commitment by the honoree or the honoree’s family), a separate endowed scholarship in the honoree’s name shall be established. Except in extenuating circumstances authorized by the college president, if the scholarship is not fully funded within five years of formation, any donation funds received will be transferred to the College Commemorative Endowed Scholarship Fund (Endowed) and designated in honor of the honoree.

- With respect to other endowed funds, the college and the donor must agree on the purposes of the fund and the recognition to be accorded the donor. In particular, endowed funds that would require that the college present an award or some other periodic recognition in the name of the donor or the donor(s)’s family must be approved by the vice president for institutional advancement and the president.

**Gift Acknowledgement/Stewardship**

Institutional Advancement is responsible for the processing, recording, acknowledging, and maintenance of records and files and related correspondence and documents for all gifts of cash, securities, gifts-in-kind, pledges, and grants from private sources including individuals, corporations, and private foundations secured through Institutional Advancement initiatives. Any employee receiving such a gift must promptly forward it and all pertinent correspondence to Institutional Advancement for deposit, accounting, and acknowledgment. Only Institutional Advancement may issue the official tax receipt for a gift to the college. All acknowledgments letters must include language thanking the donor.

All personal gift records identifying a donor will be treated with professional discretion and will be subject to the normal listings and uses of the college. Gift records of donors requesting confidentiality or anonymity will be accorded such. However, the college may disclose such information or documentation as authorized by such a donor or as may be required by law. Where confidentiality or anonymity is not requested, Institutional Advancement will work closely with the Office of College Communications to prepare and issue all news releases and other internal and external media releases as appropriate.

**Naming Opportunities**

The college welcomes the opportunity to honor those who have rendered extraordinary service or support to Canisius College. Facilities, spaces, endowments, or programs may be named for individuals or entities whose accomplishments or generosity advance the academic mission of the college, further the capacity of the college to meet its teaching and scholarly objectives and to serve its community, and enhance the growth and reputation of the institution. A decision to construct or renovate a building, establish an endowment, or create a program is to be taken on the basis of established academic and other operational criteria and approved in keeping with the college’s established mission. In all instances, naming will be independent of all appointment, admission, and curriculum decisions. To ensure the appropriateness of the honor, the college will follow the guidelines listed below as it makes decisions on a case-by-case basis with regard to naming facilities, spaces, endowments, or programs.

**Criteria for Selection of Honorees:** Naming a facility, space, endowment or program for an individual, organization, or corporation is one of the highest honors that Canisius College can bestow. This recognition is a lasting and powerful affirmation of the honoree’s connection to the college’s mission. As such, honorees must have exemplary character, an unqualified reputation for honesty, personal integrity, and the highest standards of personal and professional ethics.

**Extraordinary Service:** Honorees who have been employed by the college must have given extraordinary service to the institution in a teaching, research, service, or administrative field with such exceptional distinction that their contributions are widely recognized by their peers, both at the college and elsewhere. The recognition afforded the honoree may also include private financial contributions related to the naming opportunity. Honorees may not be in active service at Canisius College or hold elected office at the time of the naming, unless the circumstances are exceptional and approved by the board of trustees.

**Private Financial Support:** Individuals who have not been college employees, corporations, and other organizations may be considered for naming recognition if they have made significant financial contributions to the college related to the naming opportunity. Decisions regarding such recognition are made on a case-by-case basis in accordance with the guidelines below and also take into consideration the total cost of the project, the availability of other funds, and the level of financial contribution.

In order for a facility, space, endowment, or program to be named based upon a contribution, the following conditions will normally be met:

- The gift must be in irrevocable form, e.g., trust, contract for will (with present value being used for all deferred commitments), or to be paid over a period of no longer than five years based upon a signed commitment. A deferred gift is not normally acceptable for a facility where construction is dependent upon the gift;
- A bequest gift from a donor who is still alive will not normally be considered for a naming opportunity;
- The person for whom the name is assigned has some reasonable connection to the facility, space, endowment, or program being so designated;
- Unless the gift is required to construct or equip the facility to be named, the gift normally must be used to establish a program endowment restricted to an appropriate department or program closely associated with the facility;
- If a school, department, or program is to be named, a restricted endowment supporting that school, department or program normally will be established.

In special circumstances, the vice president for institutional advancement and college president may make exceptions to the above guidelines.

**Levels of Financial Support:** The following general guidelines must be taken into consideration in determining a significant level of financial support in a given situation:

- New Facilities: a minimum of fifty percent (50%) of construction costs.
- Renovation of Facilities: a minimum of seventy-five percent (75%) of the cost of renovating a facility.
- Existing Facilities without Renovation: a minimum of seventy-five percent (75%) of the fair market value of the facility.
- Collections: donation of the collection or at least fifty percent (50%) of the value of the collection.
Tribute Markers: fifty percent (50%) of the cost or value of associated items (e.g. trees, gardens).

Endowments: The amount needed to establish a named endowment at Canisius College is $25,000. The fund may be started with a smaller amount provided that it is the intention of the benefactor to reach the $25,000 level over time.

Programmatic Entities: determined on a case-by-case basis.

At the discretion of the college president, in consultation with the board of trustees, exceptions to the above guidelines may be made.

**Naming Approval Procedures:** Since naming facilities, spaces, endowments, and programs has a long-term impact on the college, the approval process is designed to ensure such action is in the best interest of the college:

- Institutional Advancement will review all naming requests. In the best interest of the college and prospective honorees, information relating to any naming request or plan will remain confidential until appropriate approvals have been obtained;
- Institutional Advancement will discuss the potential naming with the president and other appropriate Senior Leadership Team members;
- Upon receiving general approval from the president, the board of trustees will be notified for initial clearance; and
- Upon commitment by the donor (if applicable), the board of trustees as a whole will be asked to approve the naming.

**Duration of Name:** Naming of facilities, spaces, endowments and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment or program. Naming of facilities, spaces, endowments, and programs in honor of corporations or other organizations will have a set number of years attached to the naming which will be determined on a case-by-case basis and listed in the signed gift agreement. Naming associated with a particular facility, space, endowment, or program will not preclude further naming within the facility, space, endowment, or program. If at any time following the approval of a naming, circumstances change substantially so that the continued use of that name may compromise the public trust, the president will consult with the board of trustees, regarding future action. The college reserves the right to remove any name that would not reflect positively on the college or would conflict with the purpose or mission of the college.

**RELATED POLICIES**

Alumni Solicitations Policy
Conflict of Interest Policy
Gift Accounting Policy

### 2.7.3 Alumni Solicitations Policy

<table>
<thead>
<tr>
<th>ALUMNI SOLICITATIONS POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective Date:</strong> May 8, 2017</td>
</tr>
<tr>
<td><strong>Policy Number:</strong> II – 2.7.3</td>
</tr>
<tr>
<td><strong>Supersedes:</strong> Not Applicable.</td>
</tr>
<tr>
<td><strong>Issuing Authority:</strong> President</td>
</tr>
<tr>
<td><strong>Responsible Officer:</strong> Vice President for Institutional Advancement</td>
</tr>
<tr>
<td><strong>Applicability:</strong> All members of the Canisius College community.</td>
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</tbody>
</table>

**PURPOSE**

The purpose of this policy is to provide guidance regarding the solicitation of college alumni or groups of alumni.

**POLICY**

To avoid conflicting programs, and as a part of the college’s overall strategies for alumni communication and relationship building, no person or organization on campus is permitted to solicit funds on behalf of the college or a college recognized organization via phone, mail, email, or any other means alumni or groups of alumni without advance clearance, in writing, from the vice president for institutional advancement.

**DEFINITIONS**

*Alumni* - All recipients of an associate, undergraduate, or graduate degree from Canisius College and all former full-time students who have completed four full academic semesters of study who left the college in good standing.

**PROCEDURES/GUIDELINES**

Not applicable.

**RELATED POLICIES**