

# **Saint Anselm College Gift Acceptance Policy<sup>1</sup>**

The policies set forth in this document are intended to apply to gifts to Saint Anselm College. By their nature and by necessity, they may not anticipate all circumstances that will arise in a specific situation. Saint Anselm College reserves the right to alter or supplement the policies stated in this document to take account of specific situations, as well as to change the policies at any time.

## **I. Purpose and Principles**

### **A. Purpose of the Gift Acceptance Policy**

Saint Anselm College has achieved its current distinction thanks in significant part to the gifts of alumni, parents, foundations, corporations, and other contributors in support of its educational mission. This document describes the policies and processes adopted and refined by the College over the years to ensure that such gifts are appropriately solicited, used, and stewarded. Its purpose is to protect the interests of the College and its supporters by clarifying the types of gifts that are and are not acceptable to the College and the conditions under which gifts may be solicited and accepted.

### **B. Principles**

Saint Anselm's fund-raising activities are guided by the following principles:

1. All fund-raising efforts conducted in the name of Saint Anselm College must have the approval of the President and Trustees of the College. Responsibility for granting this approval is delegated to the Vice President for College Advancement, within the provisions of approved gift acceptance policies and procedures.
2. Saint Anselm College staff and volunteers solicit and accept gifts in support of Saint Anselm's educational mission. Gifts that result in the diversion of institutional resources from the mission of the College are not accepted without compelling reasons to make an exception to this rule and approval of the President.
3. Saint Anselm College does not seek or accept gifts that provide insufficient financial benefit to the College, that might reasonably harm the reputation or assets of the College, that violate College policies, or that are prohibited by law. Volunteer or staff solicitors who have any doubt as to whether a gift meets these

---

<sup>1</sup> This gift acceptance policy for Saint Anselm owes much to Colby College's gift acceptance policy last revised on 9/17/2002

criteria are expected to consult with the Vice President for College Advancement before making any commitment to a prospective donor.

4. Volunteer and staff solicitors should bear in mind that the most useful gifts are those with fewest restrictions and that in many cases the College will not accept gifts restricted for a particular purpose below a certain minimum threshold, and in many cases may not accept gifts which require the expenditure of College resources not already budgeted for this purpose. When working with donors on a gift agreement, solicitors should strongly encourage the use of preferences, rather than restrictions, to ensure flexibility to the College in the future and should strive in every instance to include an “alternative use” clause that will provide the College with further flexibility<sup>2</sup>.
5. Although the College may wish to consult with donors in the administration of some gifts, Saint Anselm College will not accept gifts that compromise academic freedom or the institution’s authority over admissions, faculty appointments, teaching, research, or its other activities. Volunteer or staff solicitors who have any doubt as to whether a gift meets this criterion are expected to consult with the Vice President for College Advancement before making any commitment to a prospective donor.
6. With few exceptions, Saint Anselm College does not count oral commitments as pledges.<sup>3</sup> Generally, pledges must be documented in writing, either using a standard College letter of intent or pledge form, or in the form of a letter from the donor, a contract with the donor, a will, or a trust document. In the case of multi-year commitments, solicitors will make every effort to have the donor specify the payment schedule, and to secure commitments payable within 5 years or less. Written commitments should also typically include the amount, date, and purpose of the gift or pledge, and (if appropriate) the official name of a newly created endowed fund.
7. For accounting purposes, Saint Anselm College considers all commitments (including those referred to as “pledges”) to be conditional “intended gifts,” and language reflecting this fact will customarily be included in standard “letter of intent” forms. Exceptions to this policy may include commitments for facilities or other projects where the College commits resources in the expectation of payment. In these cases, commitment letters should be worded using standard

---

<sup>2</sup> Sample language for an alternate use clause might be: “In the event that Saint Anselm College cannot apply this gift in conformity with the donor’s stated preferences, the College may redesignate these funds for purposes acceptable to Saint Anselm College and which the College considers closest to the donor’s expressed intent.”

<sup>3</sup> Acceptable exceptions may include annual fund pledges made in response to phonathon solicitations and annual fund pledges made by trustees to the President, to the Chair of the Advancement Committee, to the Vice President for College Advancement, or to a senior member of the development staff.

language included in these policies to make it clear that the commitment is binding.<sup>4</sup>

8. Saint Anselm College makes every effort to ensure that gifts to the College are in the best interests of the donor as well as the College. Representatives of the College are expected to abide by relevant laws, by the College's Code of Ethics for College Relations, and by other appropriate ethical codes developed by relevant professional organizations such as CASE, AFP, APRA, and others. Although College staff and volunteers may provide assistance and advice about gifts to prospective donors, they should always communicate clearly that ultimate responsibility regarding appraisals, tax implications, legal and estate planning issues are the donor's.
9. Donors should be clearly informed about the intended use of their gifts. Saint Anselm College staff and volunteers will represent the expected use and impact of proposed gifts accurately, while striving to maintain flexibility in the College's commitment to donors so that assets can be effectively used by the College over time.
10. Prospective donors of life income plans will be provided, in advance, with essential disclosure statements and information about the College's investment practices and performance. Furthermore, the College will seek to ensure that donors' spouses are aware of and accept the terms of the proposed life income gift (spousal approval of life income plans is a legal requirement in some states).
11. The College recognizes that it is obliged both by good manners and good business practices to provide appropriate, cost-effective stewardship to its donors.

## **II. Responsibility**

### **A. Establishing Fund-Raising Priorities**

The College's fund-raising priorities are established by the President and the Trustees, in consultation with the senior staff of the College. The Vice President for College Advancement bears primary responsibility for developing fund-raising plans and for translating fund raising priorities into specific marketable gift opportunities, though these activities are conducted in the context of broad consultation with the President, the College's senior staff, the Vice President for Finance, members of the Development staff, and the Advancement Committee of the Board of Trustees.

---

<sup>4</sup> Approved language for this purpose is as follows: "This is an irrevocable commitment. I will make provision in my estate plans to complete the funding of this gift, in the event that I die before completing my pledge. In the event such provision has not been made, this letter is to be considered binding on my estate."

## B. Foundation Proposals

Saint Anselm College frequently responds to grant initiatives proposed by various charitable foundations and encourages faculty members to seek grants from corporations, foundations, and federal and state granting agencies. Because such grants often incur an obligation on the part of the College to match or supplement grant expenditures, such pre-proposals and proposals must receive the written approval of the Executive Vice President, the Vice President for Finance, the Vice President for Academic Affairs and the Director for Foundation Relations prior to submission. Additionally, signatures from the Chair of the Institutional Review Board and Chief Information Officer are required as appropriate.

## C. Acceptance of Gifts

Although the ultimate responsibility for gift acceptance belongs to the President and the Board of Trustees, in practice this responsibility is generally delegated to appropriate members of the College Advancement staff. The vast majority of charitable gifts made to Saint Anselm College are directed by donors to pre-approved College priorities and fund raising objectives. Acceptance of such gifts is typically routine and is conducted by the appropriate development staff in coordination with the business office. Procedures for recording and entering gifts are documented in the College Relations Policies and Procedures Manual.

Certain types of gifts (trusts, real estate, and certain gifts of real property) require consultation among the Vice President for Finance and the Vice President for College Advancement, the President, and/or the Trustees. These gifts and procedures for their acceptance are described in more detail below.

When prospective donors propose restricted major gifts not covered by the College's fund raising priorities or that do not clearly replace expenditures already being made from the College's unrestricted funds, development officers or volunteer solicitors must seek the advice of the Vice President for College Advancement, who will obtain the agreement of the President before authorizing acceptance of the gift.

## **III. Valuation of Gifts**

Gifts will be valued according to the College's Gift Accounting Guidelines, as approved by the President, the Vice President for College Advancement, the Vice President for Finance, and the Trustee Advancement Committee. These guidelines are typically reviewed and updated as part of the planning for capital campaigns. All financial record keeping will be coordinated between Campaign Director and the Vice President for Finance.

## **Types of Gifts**

### **A. Outright Gifts**

1. Gifts of cash, checks, marketable securities, wire transfers, credit card gifts, and payroll deduction are acceptable. Checks should be made payable to “Saint Anselm College.” Such gifts are normally accompanied by information from the donor as to the intended use of the gift.
2. When there is no indication of the donor’s intended use of the gift, the appropriate advancement officer will contact the donor to clarify and document his/her intentions.
3. Capital gift designations should, whenever possible, express the donor’s wishes for the use of the fund as preferences rather than restrictions to maximize flexibility in the College’s use of the gift over time.
4. When a donor makes an unsolicited outright gift for an intended use that is not acceptable to the College, the Vice President for College Advancement (or his designee) will contact the donor to negotiate an acceptable use of the gift. If a mutually agreeable use for the gift cannot be determined, the gift will be returned.

### **B. Pledges**

1. Written pledges, signed and dated by the donor, are required before a commitment can be officially recorded by the College (see footnote 1 for exceptions) or counted in any fund-raising totals. Whenever possible, written pledges will include the payment schedule (see below), matching gift information (if applicable), the purpose of the gift, the name of any new endowed fund, and any preferences/restrictions.
2. Single year annual fund pledges are payable within the fiscal year that the pledge is recorded (June 30<sup>th</sup>). Multi-year annual fund pledges are payable in annual installments over the course of five years.
3. Capital pledges are payable within three to five years.
4. Exceptions to pledge period maximums must be approved by the Vice President for College Advancement. In the case of major gifts for facilities projects or endowments which will obligate the College to undertake significant obligations before an initiative is fully funded, the Vice President for College Advancement will consult with the President and the Vice President for Finance before granting such exceptions.
5. Pledges should, whenever possible, express the donor’s wishes for the use of the fund as preferences rather than restrictions to maximize flexibility in the College’s use of the gift over time.

C. Gifts of Marketable Securities

1. Marketable bonds or other securities that will mature are acceptable as gifts regardless of maturity date. The Vice President for Finance shall decide the acceptance of non-liquid securities.
2. The College usually sells marketable securities immediately. Gifts of stock or other investment instruments which donors expect the College to retain must be approved in advance by the Vice President for Finance.
3. If the donor possesses the certificates and the security is in his or her name:
  - a. The donor should send the unendorsed certificates via certified mail to:

John Gennetti  
Assistant Vice President for Individual Gifts  
Saint Anselm College  
100 Saint Anselm Drive  
Manchester, NH 03102

- b. The donor should include a letter of transmittal with the certificates stating the designation of the gift.
    - c. Under separate cover to the same address, the donor should send an irrevocable stock/bond power (“assignment separate from certificate”). The donor should sign the stock power (leaving the remainder blank) and have his or her signature guaranteed. The donor should include a copy of the letter of transmittal which was enclosed with the certificates.
    - d. If certificates have been endorsed, they should be delivered by courier or by hand to the address above. They should not be placed in the mail.
4. The donor may also inform an advancement officer of his or her intent to make a gift of securities via electronic transfer. The following steps are required to execute an electronic transfer:
  - a. The donor contacts his or her broker to inform the broker s/he intends to make a gift.
  - b. The development officer, or member of the College’s business office, will ask the donor (or his or her broker) to provide the issue and number of shares of the security being transferred for identification purposes.
  - c. Upon the transfer’s arrival at the College, the business office will identify the transfer with the appropriate donor and submit paperwork to the appropriate development office (e.g. annual giving, capital giving) stating the name of the donor, the issue and number of shares of the security, date of record, and its mean value on the day the shares arrive in Saint Anselm’s brokerage account.
  - d. The gift will be recorded, acknowledged and receipted. The acknowledgement letter will confirm the designation of the gift.

- e. Wire transfers should be directed to:
  - Wells Fargo Advisors, LLC
  - DTC # - 0141
  - A/C Saint Anselm College
  - Account # - 6478-3060
  - 900 Elm Street, Suite 700
  - Manchester NH 03101-2026
  - Contact: Linda L. Sirois, Financial Consultant
- 5. If the donor of a gift of stock received electronically is not identified, then the following steps shall be taken:
  - a. The business office shall make every reasonable effort to trace the transfer to the brokerage firm that sent it.
  - b. If that effort is unsuccessful, the business office will send a query to development staff asking for input in identifying the donor(s) of the security.
  - c. If the donor of the securities cannot be identified within 10 working days after the conclusion of the fiscal year in which the gift was received, the gift will be recorded as anonymous and unrestricted.
- 6. Stock gifts are valued in accordance with IRS guidelines at the mean average on the day in which the stock was received in Saint Anselm's account (if electronically transferred) or the day of the postmark on the carrier envelope (if stock is mailed).
- 7. Certain restricted securities, or other securities whose sale and disposition is delayed by SEC regulation or other considerations, will be receipted and the donor given gift credit according to applicable IRS regulations. However, in cases where donors designate such gifts for endowment or other special accounts, the designation account may be credited only with the proceeds of sale, net of expenses, rather than the market value measured as of the contribution date. Therefore, donors may be required to make other or additional contributions to meet endowment funding minimums.

D. Wire Transfers

- 1. Donors seeking to make gifts via wire transfer should be directed to the Vice President for Finance for instructions. The Director of Accounting communicates receipt and valuation of wire transfer gifts to the appropriate development officer for gift recording.
- 2. Whenever possible, wire transfers should be in U.S currency. When this is not possible, gifts by wire transfer will be valued as described below (Gifts of Foreign Currency).

E. Gifts of Foreign Currency<sup>5</sup>

1. Gifts made in foreign currency will be valued at the U.S. dollar equivalent on the date the gift is deemed to be completed. The date of the gift will be determined according to the same procedure used for gifts of stock. The value will be determined by the daily currency conversion rated listed in the *Wall Street Journal*.
2. The Business Office is responsible for currency valuation and for informing College Relations of the U.S. dollar equivalent of the gift.
3. Any transaction fees resulting from converting foreign currency to U.S. dollars will be borne by the College to ensure that the full amount of the gift is applied to the purpose designated by the donor.

F. Gifts of Insurance Policies

1. Saint Anselm College is prepared to accept gifts of life insurance provided the policy is other than term insurance.
2. Gift credit and a contemporaneous acknowledgement (receipt) may only be provided when Saint Anselm College is identified as both the owner and beneficiary of the policy. The contemporary acknowledgement (receipt) and gift crediting will be provided as follows:
  - a. In the case of paid up policies gift credit will be given for the cash surrender value of the policy. The contemporary acknowledgement, however, will follow the Gifts in Kind model in that only a letter acknowledging receipt of the policy will be provided; it will be the donor's responsibility to determine and document the value of said policy for purposes of claiming a tax deduction.
  - b. In the case of new policies, only the value of those gifts made to cover the cost of premiums will be credited and will be receipted as any other outright gift.
3. In the case of paid up life insurance policies, it will be the policy of the College to immediately cash in the policy in the absence of a compelling donor relations argument to the contrary. For this reason, donors of paid up life insurance should be strongly encouraged to identify the purpose or designation of the gift. Because the value of new policies is contingent upon the continued payment of premiums by the donor, such gifts will be treated similar to the bequest model in that the donor's preference for designation should be recorded but the College's ability to honor this preference will depend on the "naming rules" in effect at the time the policy matures and the actual proceeds are received from the policy. Neither

---

<sup>5</sup> The sections on Foreign Currency, Insurance Policies, Tangible Personal Property, and Other Assets have been based, in part, on the equivalent sections of Bucknell University's gift acceptance policy.

endowment funds nor building projects will be activated based on the gift of a new policy.

4. In the case of a gift of a new policy that requires the continued regular payment of premiums, it is the responsibility of the donor to provide the necessary gifts and matching gift paperwork, if applicable, before the premium is due. The College will not advance the funds necessary to make the premium payment absent some compelling donor relations argument to the contrary. If the gift to cover a premium payment is not received by the deadline set by the insurance company for the premium to be paid, the policy will be cashed out and the funds received will be added to the general endowment.

G. Gifts of Tangible Personal Property and Gifts in Kind

1. CASE differentiates between Gifts of Tangible Personal Property and Gifts in Kind. Gifts of Tangible Personal Property are defined as non-cash donations that do not serve the purpose or mission of the College and thus are to be converted into cash. Gifts in Kind are defined as non-cash donations of material or long-lived assets that serve the purpose or mission of the College.

2. Tangible Personal Property and Gifts in Kind (GIK) may include, but are not limited to, such items as:

Books	Computer Equipment
Jewelry	Animals
Automobiles	Furniture
Boats	Works of Art
Firearms	Manuscripts and Archival Material
Collections	Saint Anselm College Memorabilia
Printing	Software

3. Because there are significant differences in the tax treatment of such gifts based on their relation to the mission of the College, it is important that Advancement Officers who anticipate a gift of tangible personal property or a gift in kind should inform the Vice President for College Advancement before conducting any significant discussion or negotiation.
4. If proposed gifts are of scholarly interest, of significant artistic value, or related in other ways to the mission the College, they may be retained. Gifts of little artistic or monetary value, or those lacking scholarly interest should be discouraged. Marketability of the gift may be a criterion for gift acceptance.
5. Gifts of art must be approved by Director of the Chapel Art Center before they can be accepted. Gifts of books must be approved by the appropriate librarian

before they can be accepted. Gifts of other items are accepted after consultation with the Vice President for College Advancement and any appropriate members of the faculty or administration.

6. Without the written approval of the Vice President for College Advancement and the Director of the Chapel Art Center, gifts in kind such as paintings or other works of art, jewelry, furniture or collections will not be accepted if made on the condition or expectation that the items will be permanently exhibited or retained by the College or that a collection will be maintained as such.
7. The minimum value of a gift of tangible personal property that is intended to be sold shall be \$10,000. When the estimated value of the item is less than \$10,000, the donor should be encouraged to sell the property and donate the proceeds.
8. Once accepted, Gifts in Kind and/or gifts of Tangible Personal Property are to be accepted as follows. The Associate Vice President (or his/her designee) will:
  - a. book the gift at the value determined by a qualified appraisal, if one exists and the donor shares that information with the College, or
  - b. book the gift at the estimated value as provided by the donor, or
  - c. book the gift at \$1.00 if neither a qualified appraisal nor a donor's estimate is available.
  - d. Send the donor an acknowledgement letter which includes information about the IRS requirements concerning when a qualified appraisal and when filing a Form 8283 are required. No formal gift receipt is sent to the donor.

#### H. Gifts of Real Estate

1. Overall acceptance guidelines:
  - a. Saint Anselm College will accept outright gifts of real estate and outright gifts of real estate with retained life interests. (In the latter case, donors must agree to pay all costs associated with upkeep of the property.)
  - b. Saint Anselm College will accept gifts of real estate to fund charitable remainder unitrusts.
  - c. The minimum estimated value for an acceptable gift of real estate is \$50,000. When real property has an estimated market value of less than \$50,000, the donor should be encouraged to consider placing it in a charitable remainder unitrust (Flip Trust) with the donor serving as trustee or sell it and donate the proceeds. If it is placed in a CRUT, the donor should be prepared to either continue serving as trustee after the CRUT sells the property or contribute sufficient additional assets to the CRUT to meet Saint Anselm's minimums necessary for the College to serve as trustee. Alternatively, the donor could consider contributing the income

interest in the trust to Saint Anselm College at a later date thus, collapsing the trust and accelerating the College's interest.

- d. The donor must be informed that the College's general practice is to sell all gifts of real estate as soon as possible and that the marketability of the property will be a significant criterion for acceptance of the gift.
- e. For outright gifts, Saint Anselm College will not hold the real estate in a separately invested account. Upon liquidation of the real estate, the net proceeds will be invested in the endowment investment pool. For charitable remainder trusts the College will encourage the donor to serve as trustee until the property is sold from the trust in order to avoid the need for extensive environmental and other types of due diligence.
- f. The donor must understand that the College has the right to dispose of its property as it sees fit from the first day of College ownership.
- g. The donor shall be told that the College will attempt to sell the property at a reasonable price consistent with market conditions. The donor shall also be told that any sale occurring within two years of the date of the gift will be reported to the IRS, as required by law.

## 2. Gift proposal stage:

- a. Donor secures a "qualified" appraisal for tax purposes. (This must be accomplished 60 days prior to the date of the gift or may be secured after the gift up to the deadline for filing an income tax return for the year of the gift plus any extensions. Appraisal expenses incurred by the donor are tax deductible.
- b. Saint Anselm College will secure, at its expense, an environmental survey (usually a Phase 1) to determine the potential for environmental liability.
- c. Donor may be required to complete the Real Property Disclosure Checklist. (See Attachment 1)
- d. If the real estate is valued at more than \$50,000, Saint Anselm College may secure an additional appraisal for accounting purposes.
- e. If the gift involves a bargain sale, Saint Anselm College will secure an additional appraisal upon which the calculation of payment to the donor will be based.
- f. Saint Anselm College inspects the property, if geographically feasible.
- g. Saint Anselm College analyzes the property and appraisal (s); decides to accept or reject the gift. (If the property involves a bargain sale, the President and Vice President for Finance must approve; if the bargain sale is valued at more than \$100,000, the Board of Trustees must approve.)

## 3. Property transfer stage:

- a. Donor provides a survey if deemed necessary by the College to define the property.
- b. Saint Anselm College may require:

- Documentation of improvements
  - Copies of insurance certificates/policies.
  - Copies of loan documents.
  - Other documentation as circumstances require.
- c. Saint Anselm College secures local real estate attorney.
  - d. Donor transfers properly executed deed to Saint Anselm College. (N.B.-- spouses of donors should sign deeds.)
  - e. Saint Anselm College and Donor record deed.
  - f. The donor's appraiser prepares Form 8283 which Saint Anselm College will sign acknowledging receipt of gift.
  - g. Saint Anselm College will prepare life income agreement, if necessary.
4. Marketing and selling the property:
    - a. Saint Anselm College will obtain local realtor and attorney
    - b. Saint Anselm College will provide appraisal and ownership information to realtor
    - c. Saint Anselm College will require periodic progress reports from realtor.
  5. Closing the sale:
    - a. Schedule all inspections.
    - b. Select title company or escrow agent.
    - c. Schedule the closing.
  6. After the closing:
    - a. Prepare a closing file of all records for Saint Anselm's permanent records.
    - b. Prepare and file Form 8282, if the property is sold within two years.
  7. What must be included in a "Qualified Appraisal":

Because the charitable deduction can depend upon meeting the appraisal requirements, donors should exercise care in selecting an appraiser and ensuring that the appraisal meets IRS requirements. The appraisal must be prepared no more than 60 days prior to the date of the gift and no later than the due date for the tax return. It must be signed and dated by the appraiser and must include the following:

- a. A detailed description of the property being donated.
- b. A description of the item's physical condition in the case of tangible personal property.
- c. The date or expected date of contribution.
- d. The terms of any agreement or understanding that relates to the use, sale or other disposition of the donated item.

- e. Name, address and tax I.D. number of the "qualified appraiser" who prepares the appraisal.
- f. The appraiser's qualifications, including background, experience, education, and membership (if any) in professional appraisal associations.
- g. A statement that the appraisal was prepared for federal income tax purposes.
- h. The date (or dates) the donated item was valued.
- i. The appraised FMV on the date of gift or the expected date of the gift.
- j. The method of valuation used to determine FMV.
- k. The specific basis for the valuation, such as any comparable sales transactions.
- l. A description of the fee arrangement between the donor and the appraiser.

I. Gifts of other assets

- 1. Other assets include, but are not limited to, such items as:
  - Promissory notes
  - Assignment of promissory notes
  - Patents, royalties, trademarks, and copyrights
  - Professional practices (medical or legal)
  - Partnerships
  - Stock in closely held or private corporations
- 2. Advancement officers anticipating a gift of other assets must inform the Vice President for College Advancement before entering any significant discussion or negotiation of such a gift.
- 3. The difficulty in establishing the acceptability of this class of assets places additional importance on a thorough review of such gift proposals performed by the Vice President for Finance, the Vice President for College Advancement and, in some cases, College counsel. In particular, the Vice President for Finance will review the marketability of the gift, the potential carrying costs associated with it and the potential exposure of the College to unrelated business income tax and other possible liabilities.
- 4. If the gift is deemed acceptable via the process above, the Vice President for College Advancement will be responsible for working with the donor (with the assistance of the Advancement Officer) to complete, value and acknowledge the gift.

## J. Illiquid Assets and Legally Restricted Securities<sup>6</sup>

The recent dramatic increase in venture capital, buyout funds, hedge funds, and other non-marketable securities, accompanied by the rise of “venture philanthropy” presents Saint Anselm College with both risks and opportunities. The following guidelines are designed to encourage entrepreneurial alumni, parents, and friends to work in partnership with the College, while clarifying its position on acceptable levels of risk. In describing this policy, we use the following definitions:

*Illiquid Assets:* securities, closely held stock, partnership agreements, or other properties not currently traded on the open market, including pre-IPO stock that might one day be publicly traded or that might be eventually acquired by another company via a merger. Such assets are often volatile and difficult to value.

*Legally Restricted Securities:* Legal restrictions may exist on stock that is publicly traded, as in the case where a security is subject to lock-up imposed by the SEC and cannot be sold for a period of days, weeks or months. During the lock-up period, the value of the security may rise or fall.

1. The Vice President for Finance must evaluate and approve all gifts of illiquid or specially restricted assets on behalf of the College. Gift crediting will be determined in various ways depending on the nature of the commitment.
  - a. Assets transferred but not immediately liquidated. When donors transfer an asset, usually stock, which the College cannot sell due to legal restrictions or illiquidity, the date of gift will be the date the asset is received by the College, and donors will receive gift credit equal to their federal income tax deduction. In cases where there are legal restrictions on the stock or the asset is illiquid, donors are responsible for arranging and paying for a qualified appraisal and should follow all IRS guidelines for such gifts. Because of the volatility of these gifts, they should not be counted toward the Annual Fund. Neither can the College count such gifts toward the settlement of a formal pledge agreement, without prior approval of the Vice President for College Advancement and the Vice President for Finance. In some instances the donor may be asked to agree in writing to guarantee the minimum value of the gift and its timing in order to receive gift credit.
  - b. Assets donated to a separate entity for the benefit of Saint Anselm College. When a donor transfers assets to another entity such as a charitable remainder trust or lead trust of which Saint Anselm College is not the trustee, or to a supporting organization or private foundation over which the College has no direct legal authority gift crediting will be determined by the Vice President for Finance.

---

<sup>6</sup> This proposed policy for Saint Anselm College owes much to Amherst College’s gift acceptance policies on “Special Classes of Assets.”

- c. Assets promised as a future gift. If a donor pledges to transfer a specific number of shares of stock or other security in the future after a triggering event such as an IPO or merger, gift credit is determined when the actual assets are donated to the College. In effect, Saint Anselm College is accepting a non-binding promissory note that the donor will make a future gift.
2. In negotiating gifts of these types, in which asset values can be especially volatile, special care must be taken to protect Saint Anselm's interests. Such issues must be addressed in the gift agreement and approved by the Vice President for Finance. All gifts of illiquid or specially restricted assets received by the College will be managed under the established procedures and policies of the Board of Trustees.

K. Deferred Gifts: Annuities, Trusts, and Estates

1. Saint Anselm College works with donors to generate deferred gifts including Charitable Gift Annuities (CGAs), Charitable Remainder Trusts (CRTs), gifts of real estate with retained life interest, and bequests. In doing so, Saint Anselm College development staff will encourage donors to consult with their spouses and their financial advisors and will make it clear that they represent the College and its interests and that they are not offering tax or investment advice. In the past, Saint Anselm College has also accepted gifts in the form of Charitable Lead Trusts and gifts to two Pooled Income Funds. Such gifts have become so rare that they are not covered in this policy.
2. Saint Anselm College offers CGAs at the annuity rate suggested by the American Council on Gift Annuities at the time the gift is funded. If the College proposes a lower rate than the ACGA rate, the donor will be informed of the ACGA rate in writing. Under IRS regulations, there may be no more than two annuitants.
3. Saint Anselm College accepts and counts as gifts CRTs which are irrevocable and in which the College has an irrevocable remainder interest. The College may serve as Trustee of Charitable Remainder Trusts when such trusts meet IRS requirements and certain other conditions are met, including the use of acceptable assets to fund the trust, a minimum remainder interest (see below), and an acceptable payout rate. Saint Anselm's willingness to serve as Trustee is decided by the Vice President for Finance in consultation with the Vice President for College Advancement. Saint Anselm College does not presently charge management fees for trusts of which it is trustee, but reserves the right to do so in the future.
4. Saint Anselm College accepts remainder interests in real property, including residences, farms, and other real estate, when such gifts are approved by the Vice

President for Finance in consultation with the Vice President for College Advancement. Donors must agree to pay costs of owning and maintaining the property (e.g. taxes, repairs, assessments, insurance, maintenance, and other expenses which may be dictated by local or state law). The College may not be compelled to make capital improvements or otherwise invest resources in the property unless exceptions are approved by the President of the College.

5. Saint Anselm College encourages donors to include the College in their estate plans for unrestricted or restricted bequests. Donors considering a bequest to Saint Anselm College should consult with the Advancement staff to determine acceptable gift restrictions and funding levels, bearing in mind that such funding levels may increase over time. By direction of the Board of Trustees, unrestricted bequests are currently designated for unrestricted quasi-endowment. The College establishes a named unrestricted endowment fund in the donor's name if the bequest is at least \$50,000. Unrestricted bequests below this threshold are added to the general endowment of the College. Restricted bequests below the threshold for separate named funds are added to a general endowment fund related to the gift restriction (e.g. general endowed scholarship funds for a bequest restricted to financial aid). Bequests of real estate must be reviewed by the same procedure specified in the real estate gift section (IV.H) above. Bequests of other real property or bequests with restrictions that may be of questionable value to the College will be reviewed by the President, Vice President for College Advancement and, if necessary, declined by the College. Appropriate College offices (usually the President or the Vice President for College Advancement) occasionally serve as executors of estates of which Saint Anselm College is a substantial beneficiary. Advancement officers should encourage prospective donors to discuss any such designations in advance, and should recommend, in cases where this role is to the College's benefit, that potential executors be designated by title rather than name. Donors should understand that these responsibilities may be delegated to an appropriate staff person or legal representative of the College.

#### **IV. Gift Minimums**

Saint Anselm College values the support of all its donors and their gifts. However, the College has established minimum thresholds for certain types of gifts to ensure that they represent a net benefit, rather than a cost, to the College. Exceptions must be approved by the Vice President for College Advancement and the Vice President for Finance.

##### **A. Current Year Gifts**

1. There is no minimum established for gifts of cash, checks, marketable securities, foreign currencies, credit card gifts, paid up life insurance, or tangible personal property accepted for College use.

2. Gifts of tangible personal property which the College intends to sell must have a minimum estimated value of \$10,000.
3. Gifts of real estate which the College intends to sell must have a minimum value of \$50,000.

B. Pledges

1. Multi-year pledges to the Annual Fund are accepted when the pledge of up to five years will entitle the donor to membership in the President's Club in each year the pledge is in force. Exceptions may be made by the Director of Annual Giving and/or the Vice President for College Advancement.
2. Capital pledges must meet a minimum threshold of \$5,000 per year and are typically payable within five years. New named endowment funds are not established for commitments of less than \$50,000, payable within five years.
3. Exceptions to pledge minimums must be approved by the Vice President for College Advancement.

C. Deferred Gifts

1. Charitable Gift Annuities have a minimum funding level of \$10,000.
2. "Streamlined Charitable Remainder Trusts" may be established at a minimum funding level of \$50,000 if they meet the following criteria:
  - a. a 5% payout rate
  - b. no more than two income beneficiaries,
  - c. Standard (Type 1) Unitrust
  - d. funded with cash or negotiable securities and;
  - e. the College serves as Trustee.
3. For other Charitable Remainder Trusts for which Saint Anselm College is to serve as trustee, the College's remainder interest must be at least 51% of the trust assets and at least \$50,000. In such cases, before accepting trusteeship the College must obtain a written agreement with other remaindermen regarding Saint Anselm's investment practices and indemnifying the College against legal action for its management of the trust.

## **V. Endowment Funds and Facilities Gifts**

### **A. Restricted Endowments**

1. Saint Anselm College does not accept endowment gifts with restrictions that violate the College's policies, values, or standards, or with restrictions that are so narrow as to compromise the usefulness of the gift. In cases where the appropriateness of a restricted gift is not clear, Saint Anselm's President will decide.
2. Endowments for different purposes (e.g. professorships, scholarships, student research fellowships) generally require different funding levels, which are set by the Trustee Development Committee from time to time and promulgated to prospective donors in case statements, brochures, and conversations with development officers and volunteers. Changes in funding levels will not affect pre-existing endowment agreements or pledges in the process of being fulfilled.
3. Inevitably, prospective donors will sometimes suggest restricted endowment gifts for purposes that have not been previously identified as fund raising priorities by the College. The costs and benefits of such gifts to the College must be carefully weighed before they are accepted. Generally, responsibility for this analysis and for approval of such gifts will be assigned to the Vice President for College Advancement, who will consult with the Dean or Vice President in whose area of responsibility administration of the gift would fall. Such gifts, when in excess of \$100,000, must be authorized by the President on the basis of an analysis and recommendation provided by the Vice President for College Advancement in consultation with the Vice President for Finance. The criteria used in deciding the suitability of such gifts will typically include:
  - a. Saint Anselm's ability to administer the gift without additional staffing or other expense that would render the gift a net cost to the College;
  - b. The compatibility of the gift's purpose with Saint Anselm's mission and values; and
  - c. The gift's potential to enhance Saint Anselm's ability to serve its constituents and improve the overall quality of the College.
4. New endowment funds are never established for a commitment of less than \$50,000, payable over no more than five years. Advancement officers should make sure that donors understand that failure to complete a pledge bringing an endowment to the minimum level required for a specific purpose may result in the funds which have been donated being added to general endowment for a similar purpose.
5. Whenever possible development officers will work with donors to ensure that endowment agreements specify preferences rather than restrictions to ensure

flexibility in the use of endowed funds over time and that the standard alternate use clause is included in the gift agreement (see above, footnote 1).

6. Names of endowment funds may be changed by written request of the donor(s) and agreement of the College.
7. Purposes of existing endowment funds may be changed by mutual agreement between the donor and the College. The Vice President for College Advancement generally represents the College in such discussions, and will confer with the Vice President for Finance and any departments that might be affected. Changes requiring increased administrative commitments or additional financial resources will be reviewed by the President. Any changes must be documented in writing, signed, and dated by the donor.

**B. Memorial and Honorary Gifts/Funds**

1. New endowed funds in memory or in honor of an individual may be established when a signed letter of commitment is received guaranteeing a minimum of \$50,000 in gifts to the fund within 5 years or less. The purpose of such memorial funds must conform to the College's existing fund raising guidelines and priorities (e.g. minimums for specific purposes).
2. Memorial gifts received in the absence of a commitment to establish a new named fund are directed to the Memorial Scholarship Endowment Fund unless another existing fund or purpose is specified by the donor.
3. Gifts in honor of individuals are credited to the annual fund unless another existing fund or purpose is specified by the donor.

**C. Facilities Gifts**

1. Facilities projects will typically include an endowment component equal to 10% of the construction costs to generate support for the operating expenses of the building. Exceptions must be approved by the President.
2. The naming gift for a new facility will typically require a gift equal to one-quarter the total project cost (including the endowment component). Exceptions must be approved by the President and Board of Trustees.

**VI. Changes to Saint Anselm College's Gift Acceptance Policy**

Revisions to this policy may be suggested by the President, senior staff, advancement staff, or trustees, and will be evaluated by the Vice President for College Advancement,

the Vice President for Finance and the President after appropriate consultation and discussion. If endorsed, revisions will be referred to the Trustee Advancement Committee for final approval.