



Gift Acceptance Policy

Purpose

The Zane State College Foundation (hereafter known as "the Foundation") is a non-profit corporation for charitable and education purposes within the meaning of Section 501(c) 3 of the Internal Revenue Code and operates exclusively for the benefit of Zane State College (hereafter known as "the College"). This document establishes guidelines for the Foundation in the solicitation, acceptance, and utilization of gifts in support of Zane State College.

This document is intended only as a guideline and allows for flexibility on an individual case and adheres to general gift accounting standards established by the Council for the Advancement and Support of Education (CASE).

All gifts shall be accepted at the discretion of the Foundation and recognized by the Board of Directors of the Foundation. Such recognition shall in no case be considered an endorsement of a particular product or business.

The Board of Directors shall exercise appropriate control with respect to gifts to the Foundation through establishment of the following policies:

1. The Foundation and Board of Directors will consider each gift according to its intended use, restrictions, liabilities, and financial impact, now and in the future. Only gifts offered to the Foundation that are consistent with the stated goals and mission of the College will be considered for acceptance.
2. The Executive Director may tentatively accept contributions to the Foundation subject to the final approval of the Foundation Board of Directors at its next meeting. The Board reserves the right to refuse any gift.
3. It is expected that the Foundation will consult with appropriate College representatives or external counsel regarding the acceptability of tangible property or real property (i.e., land, works of art, supplies and equipment) in advance of accepting the items.
4. Acceptance by the Foundation of equipment or services that may require institutional support involving, but not limited to, operating budget expenses, or other expenses whether initial or continued shall be presented to the President's office for Trustee consideration and approval prior to acceptance by the Foundation.

Types of Gifts

1. Cash
 - 1.1. The Foundation, regardless of amount, shall accept gifts by cash, credit card, or check.
 - 1.2. Checks shall be made payable to Zane State College Foundation, unless otherwise specified. In no event shall a check be made payable to an individual who represents the Foundation.
2. Publicly Traded Securities
 - 2.1. The Foundation can accept readily marketable securities, such as those traded on a recognized stock exchange.
 - 2.2. Gift securities are likely to be sold immediately by the Foundation.
 - 2.3. For the Foundation's gift crediting and accounting purposes, the value of the securities is the average of the high and low on the date of the gift, in accordance with IRS regulations.

3. Closely Held Securities

- 3.1. Gifts of closely held corporate stock will be carried on the Foundation's books at \$1 in the absence of financial information that would enable determination of book value or until audited financial statements are provided to the Foundation so that book value can be substantiated, or the donor provides a qualified appraisal in compliance with IRS regulations.
- 3.2. An appraisal of securities may be conducted under the direction of the Foundation to determine both value and potential for sale.
- 3.3. Gifts of securities that require a holding period will be accepted and sold when the holding period has expired.
- 3.4. Gifts of securities that will not be accepted include: securities that are assessable or in any way could create a liability to the Foundation; securities that, by their nature, may not be assigned (such as "S" corporation stock); securities that on investigation have no apparent value.

4. Real Estate

- 4.1. The Foundation Board of Directors will review gifts of real estate.
- 4.2. In all instances of gifts of real estate, the Foundation Board of Directors has final determination of accepting or rejecting the gift. The Foundation Board of Directors may refuse any offered property that is judged not to be in the best interests of the Foundation.
- 4.3. Prior to agreeing to accept the gift of any real estate, the Foundation will obtain title certification. Prior to acceptance, the Foundation Board of Directors shall consider the need for title insurance and require such insurance in appropriate case.
- 4.4. The donor is responsible for obtaining an independent appraisal of the property, unless otherwise determined by the Foundation.
- 4.5. A member of the Foundation must conduct a visual inspection of the property. If the property is located in a geographically distant area, a local real estate broker may substitute for the Foundation in conducting the visual inspection. The Foundation may also require an environmental site assessment including Title V status for possible contamination, (i.e., leaking underground storage tanks) or other restrictions (i.e., wetlands).
- 4.6. Due to the expenses associated with gifts of real estate, only gifts valued in excess of Foundation expenses will be accepted.
- 4.7. Prior to presentation to the Foundation Board of Directors, the donor must provide the following current documents: real estate deed, real estate tax bill, independent appraisal, plot plan, substantiation of zoning status, and environmental site assessment.
- 4.8. For the Foundation's gift crediting purposes, the value of the gift is the appraised value of the real estate, excluding any costs to the Foundation for insurance, real estate taxes, broker's commission, or other expenses of the sale.
- 4.9. Properties with mortgages will be considered on a case-by-case basis. Consideration may include an independent appraisal and the mortgage percentage of property value. Mortgaged property is not acceptable for charitable remainder trusts.
- 4.10. In instances where the donation of real property will have financial consequences for the College, the College Board of Trustees will review the gift and have the right to accept or reject the donation.

5. Life Insurance

- 5.1. If the policy is fully paid, the value of the gift for the Foundation's gift crediting and accounting purposes is the policy's replacement costs.
- 5.2. If the policy is partially paid, the value of the gift for the Foundation's gift crediting and accounting purposes is the policy's cash surrender value.

6. Gifts-in-Kind
 - 6.1. Gifts of tangible personal property to the Foundation such as equipment, inventory, books, vehicles, or personal property should represent value to the College.
 - 6.1.1. Such gifts defined above shall be used by or sold for the benefit of the Foundation or the College.
 - 6.2. Factors that will be taken into consideration by the Foundation before deciding on acceptable gifts of personal property include: transportation cost, storage cost, cost of selling, cost of maintenance and repairs, location of property, and cost of insurance.
 - 6.3. Gifts with fair market value less than \$5,000 can be based on a best estimate by the donor or other individual familiar with the property being given.
 - 6.4. Fair market value greater than \$5,000 must be secured through a qualified appraisal.
 - 6.5. Appraisal fees may be incurred by the donor in determining fair market value of the gift. The Foundation adheres to all IRS requirements for disposing of gifts of tangible personal property and filing appropriate forms.

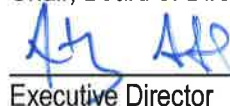
7. Planned Gifts and Memorials
 - 7.1. The staff and volunteers shall encourage assets transferred through bequests that have immediate value to the Foundation, or that can be liquidated.
 - 7.2. The Foundation may accept and administer bequests and memorials designated for specific purposes.

8. Administrative Issues
 - 8.1. The Foundation and its staff shall not act as an executor (personal representative) for a donor's estate.
 - 8.2. The Foundation may act as co-trustee of a charitable trust when the trust names the Foundation and/or the College as a beneficiary of 50% or more of the trust.
 - 8.3. Terms and conditions must be agreed upon before an endowment is established; therefore, contact with the Executive Director for appropriate documentation is required.
 - 8.4. A minimum contribution or pledge of \$10,000 is required to establish a named endowment.
 - 8.5. For restricted and endowed funds, if future circumstances change, or the donor fails to fulfill his pledge obligation, or the purpose for which the fund is established becomes illegal, impractical, or no longer meets the needs of the College, the Foundation may designate an alternative use in the spirit of the donor's original intent for the gift to further the objectives of the College.
 - 8.6. In all cases, gifts that have more costs associated with them than benefits shall be discouraged or rejected.

Approved:



Chair, Board of Directors



Executive Director



Date



Date