

# **GIFT ACCEPTANCE POLICY**

**Effective March 14, 2019**

## **INTRODUCTION**

Loyola University of Chicago (“Loyola” or “University”), an Illinois not for profit corporation described as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), encourages the solicitation and acceptance of gifts to the University for purposes that will help Loyola further its Jesuit, Catholic university mission. This Gift Acceptance Policy (“Policy”) has been developed to outline straightforward and objective procedures for accepting charitable gifts to the University. While the procedures set forth are detailed and specific to the type of gift, they shall be interpreted considering the following overriding principles:

2. A gift shall not be accepted if it requires significant administrative or other resources.
3. This Policy is intended to guide the University's response to prospective gifts to the University. If a gift furthers their own objectives, the donor is urged to seek to accept the gift through the normal process. It is not within the purview of this Policy.

University, or their designee, prior to making any such commitment.

## II. GIFT ACCEPTANCE COMMITTEE

The Gift Acceptance Committee ("GAC") shall consist of the following:

- x University President and
- x Vice President for University Advancement; and
- x Senior Vice President and Chief Financial Officer and
- x Other members appointed by the President as needed, e.g. Vice President and General Counsel

The Gift Acceptance Committee will:

- x Review significant gifts made to Loyola (e.g., gifts with a value equal to or greater than \$1 million) and other gifts as outlined in this Policy (e.g., gifts in kind at the request of the advancement division);
- x Make recommendations to the Board of Trustees on changes to this Policy or on gift acceptance issues;
- x Approve exceptions to this Policy (which has been approved by the Board of Trustees); and
- x Advise on appropriate matters that relate to the acceptance of philanthropic contributions.

## III. ACCEPTANCE OF GIFTS AND REVIEW OF GIFT AGREEMENTS

### 1. Gift Acceptance/Signature Authority

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### **3. Donor Advice**

Loyola cannot give accounting, tax or legal advice to donors or their advisors. It is the donor's responsibility to secure independent counsel for all gifts made to Loyola.

### **IV. ETHICAL STANDARDS**

Loyola will comply with model standards and rules of ethics as adopted by the national fundraising and advancement organizations including, but not limited to, the Council for Advancement and Support of Education (CASE), Association of Fundraising Professionals (AFP), National Association of Charitab7 ( )10.9 (na)-1.6c4.

- a. **Cash and cash equivalents** Cash gifts of any amount are accepted by the University, except as otherwise provided in this Policy.

These gifts can take the form of currency, check or credit card contribution. Cash or checks may be delivered in person, by mail, by Electronic Funds Transfer (EFT) or by wire transfer. Gifts are booked for the University's internal purposes as follows:

- x Checks mailed to the University are booked to the date they were mailed to the University (e.g., the postmark date)
- x If such documentation is not available, the check is booked to the date noted on any accompanying correspondence



must have information about compatibility, maintenance, storage, and transportation costs, as relevant. Only after such review will the GAC determine whether to accept the gift. Title to the gift property should be clear and unencumbered, and properly documented. The University may require the donor to provide the provenance of a gift-in-kind before it is accepted. The donor may be responsible for the cost of conveyance to the University.

Absent a related use for the donated property, if accepted, the University generally will sell or

- g. Cryptocurrency - The University may accept gifts of cryptocurrency if approved by the GAC. Gifts of cryptocurrency are a new source of philanthropy. The IRS classifies cryptocurrency as property, which can be either ordinary income property or long-term capital gain property. Depending on the amount of the donation, the donor may need to substantiate the value of their deduction by way of a qualified independent appraisal.

Because of the volatility of exchanging cryptocurrency into US currency, gift agreements must include disclosures and agreements between the donor and the University regarding making up any difference if the exchange results in a lower amount than what the donor anticipated.

Gift receipting for cryptocurrency should be similar to that for personal property, stating the name and number of cryptocurrency coins donated, the date of receipt, and the fund or account benefiting from the gift.

- 3. Deferred Gifts** - Loyola accepts deferred gifts including charitable bequests, charitable gift





A life estate gift is created by transferring the deed for the property to the University which reserves a "life estate" for the life of the donor, or his/her designees. Properties used in a life estate gift are accepted on a case-by-case basis as approved by the GAC. Donors must sign a

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7. **Memorial and Honorary gifts** - Memorial and honorary gifts are encouraged by the University as generous and thoughtful ways to recognize people's lives and accomplishments. When the University notifies the decedent's next of kin of memorial or honorary gifts, such notifications must not include gift amounts. The next of kin may be consulted about the designated use of memorial monies, including whether the funds will be endowed or spent as current funds. In the case of honorary gifts, the honored person is notified, again without detail about gift amounts. For any memorial or honorary gift which includes a naming right, the donors will use

**IX. Donor Control** – In order to ensure the deductibility of donors' gifts as well as comply with laws and ethical standards, gifts may not be controlled by a donor nor may a donor personally benefit from a gift, or have a role in influencing expenditures. Donors may restrict gifts for a particular use within the University, but may not control how the gift is used.