

Reason for Policy / Purpose	<p>The purpose of the Gift Acceptance, Counting and Reporting Policy is to provide a set of standards by which gifts are reviewed, accepted, recorded, and receipted by Pomona College. The policy applies to all gifts of private support received by the College, including departments, units, programs, and centers. This policy focuses on Advancement reporting, not financial accounting and reporting.</p>
Abstract	<p>This policy outlines gift acceptance, counting, and reporting at Pomona College. It defines a gift and describes gifts and gift restrictions that can and cannot be accepted by the College. It also provides details about gift agreement requirements, as well as information about transferring assets to the College and specific types of gift assets that the College accepts. Information is also provided on gifts from donor-advised funds, employer-sponsored matching gifts, planned gifts, and gift receipts, counting, and reporting, among other topics.</p>

President for Advancement oversees due diligence and facilitates the acceptance, rejection, or referral of proposed gifts as provided in the next Sections.

- C. If a gift falls into one of the categories enumerated above, or in the case of a gift that is unusual, risky, or has complex issues associated with it, the Vice President for Advancement may refer the matter to a _____ as described in the next Section.
- D. A _____ (“Staff GAC”) provides a process to ensure that proposed gifts presented to it conform to the Policy or warrant an exception to the Policy.
1. The responsibility of the Staff GAC is to evaluate proposed gifts and accept, reject, or refer them to the _____ described in the next Section.
 2. The Staff GAC is convened by the Vice President for Advancement and will usually consist of the following members:
 - Vice President for Advancement (or designee), who shall act as Chair,
 - Vice President, Chief Operating Officer and Treasurer (or designee),
 - General Counsel,
 - Others as may be selected by and at the discretion of the Vice President for Advancement.
 3. The Staff GAC may seek advice and counsel about proposed gifts from the Chief Investment Officer (the “CIO”), the Director of Real Property (“Real Property Director”), members of the Gift Planning team, other staff members with knowledge of the donor or the circumstances, or outside consultants. Consultation is recommended for consideration of the following types of gifts:
 - Those with donor-imposed restrictions not aligned with institutional priorities or which, if accepted, would require new programs or activities, matching funds, or other institutional support not clearly replacing expenditures already being made from the College’s unrestricted funds (*see Articles V and VI, below*),
 - Nonmarketable securities, thinly traded securities, foreign listed securities, closely held stock, private company stock, and/or other stock or business interests that are subject to restrictions or buy-sell agreements (*see Article VII, Section B.3, below*),
 - Non-traditional assets like virtual currencies, crypto, and non-fungible tokens (*see Article VII, Section B.5, below*),
 - Real property (*see Article VII, Section B.6, below*),

- Documents naming Pomona College as trustee, other than charitable remainder trusts described in *Article X, Planned Gifts* below,
- Gifts or grants involving contracts (other than charitable gift annuities authorized in *Article X, Planned Gifts, below*), such as bargain sales or other types of conditional gifts that would require the College to assume an obligation or outlay of cash,
- Transactions with potential conflicts of interest, and
- Other instances deemed appropriate by the Staff GAC.

4. Decisions of the Staff GAC will be made by consensus. If consensus cannot be reached, gift proposals will be referred for decision to a _____ as described in the next section.

E. A _____ ("Board Ad-Hoc GRC") provides an expedited process for a

- In addition, the Trusteeship Committee may appoint up to three Trustees or Trustees Emeriti with subject matter, legal, or other expertise to serve as needed on the Board Ad-Hoc GRC.
4. In matters relating to the proposed gift, the Board Ad-Hoc GRC shall hear from the Vice President for Advancement and General Counsel, and may seek advice from subject-matter experts, such as the Vice President and Chief Operating Officer, Chief Investment Officer, the Director of Real Property, members of the Gift Planning team, or other outside consultants.
 5. All decisions of the Board Ad-Hoc GRC must be made by majority vote during a meeting or by unanimous written consent. If majority vote or unanimous written consent cannot be reached, the matter will be referred for consideration by the Executive Committee and any other committee designated by the Board Ad-Hoc GRC for recommendation to the full Board of Trustees for final decision.
- F. The acceptance of a gift does not imply nor mean that the College endorses or approves of the donor's views, opinions, businesses, or other activities.

V.

- A. All gifts must be directed to a specific gift fund in Advancement's database of record. The choice of fund will be consistent with the written directions of the donor, which will be archived as substantiation. *See Article VI, Gift Agreements, for more information.*
- B. A donor may designate both the College recipient (e.g., a specific department, unit, program, or center) as the beneficiary of a gift and a purpose (e.g., scholarship, fellowship, professorship, etc.) for which the gift is to be used.
 1. If the donor does not designate a specific College recipient or purpose of a gift, the gift will be designated "undesignated" by Advancement.
 2. If the donor designates a specific College recipient but not a specific purpose, the gift will be added to the College recipient's general gift fund, or such other fund as directed by the person responsible for expending gifts to or for the benefit of the College recipient.
 3. If the donor designates a specific purpose for a gift, the College will either add this restricted gift to a currently existing fund with the same purpose or create a new fund for the specified purpose, as appropriate.
- C. Please see the Naming Policy (*Pending Approval*) for information regarding naming gifts.

VI.

A.

1. A gift agreement documents the mutual understanding between a donor and the College in

2. The Vice President for Advancement or his/her designee signs all gift agreements, with the President or his/her designee also signing for gifts of \$100,000 or more.
3. The Vice President for Advancement or his/her designee and the Chief Investment Officer or his/her designee sign all planned gift agreements (annuities and trusts).
4. College deans and other College leaders may be asked to sign gift agreements in a non-binding capacity when gifts benefit their areas of oversight and to support donor stewardship.
5. Except in cases where signature from the College's Sponsored Research Office is required, the Vice President for Advancement or his/her designee will sign corporate and foundation award letters for the College, in consultation with College leadership involved with and/or affected by those gifts, as well as the College's General Counsel and Office of Finance as needed.

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 - a. Outright cash gifts can take the form of checks, credit cards, wire transfers, or payroll deductions.
 - b. Cash gifts are credited to the donor's giving record at actual cash value.
 - c.

- d. The Investments Office must approve any request by a donor that the College hold and

returned. Typical documentation includes a signed and dated letter from the donor acknowledging the gift, including fair market value (FMV); a full description of the item; a

- The service requires specialized skills, is provided by persons with those skills, and would have been purchased if it hadn't been donated.

Examples include:

- A developer who donates the labor to construct a facility. The fair market value may be documented by the donor in consideration of average costs identified through competitive bids or similar projects.
- An attorney who performs pro bono legal work for the institution. The fair market value may be documented based on the average hourly rate in the area multiplied by the documented number of hours.

- B. Gifts to the College from DAFs are typically accepted in the form of checks or electronic fund transfers and processed accordingly.
 - C. No gift receipt will be issued to the individual who recommended a gift to the College from the DAF; however, the individual's giving record will be soft credited (*as defined in Article XV, Section C, below*) with the value of the gift.
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- Planned gifts will be used by the College at some point in the future. These gifts are either

fluctuate from year to year based on the value of the trust's assets. When the trust term ends, its remaining assets are transferred to the College for use as directed by the donor.

2. The College may accept gifts of a remainder interest in charitable remainder trusts.
3. The College may serve as trustee of a charitable remainder trust, provided it is named as an irrevocable beneficiary of at least 55% of the remainder, and the funding value meets the College's required minimum.

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1. A charitable lead trust provides annual payments to the College over a set period. The remaining trust assets are transferred at the end of the trust term to the donor or whomever the donor chooses.
2. The College may accept designation as the beneficiary of a charitable lead trust.
3. The College may serve as trustee of a lead trust, provided it is named as an irrevocable beneficiary of at least 55% of the trust income, and the net present value of that income interest meets the College's required minimum.
4. Due to the potential for liability, the College may accept an appointment as trustee of a charitable lead trust only upon review of all relevant circumstances and if it secures sufficient assurances, either through an indemnification clause in the trust agreement or through some other written means, that the donor of the lead trust will protect the College from potential liability to the non-charitable beneficiaries of the trust (usually the donor's family) except in the case of willful misconduct or gross negligence.
5. Generally, the College will not serve as trustee of a charitable lead trust funded with or invested in assets other than a diversified portfolio of publicly-traded securities.

D.

1. The College may accept a designation as beneficiary or owner of a life insurance policy.
2. The College will not accept policies where the College is obligated to make any future premium payments unless the donor commits to making annual gifts to cover such payments and/or understands that the College may unilaterally exercise its right to surrender the policy for its cash surrender value.
3. The College sets required face value minimums on life insurance policies.

E.

The College may accept and retain documentation of bequest intentions regardless of revocability or the age of the donor and honor those giving bequest intentions with an

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dates of service, and with a statement that expenses might have been incurred that were not reimbursed and might be tax deductible.

XII.

The College is grateful for gifts from faculty and staff members. Due to IRS regulations, for a gift to qualify for a charitable deduction, the donor must not personally benefit from or control the use of the funds. As such, College faculty and staff members cannot designate a gift to a fund from which they can authorize expenditures for personal benefit, or in such (or similar) cases where the fund:

- A. Supports his or her salary;
- B. Pays for consumer goods to be used by him or her;
- C. Pays for his or her research, or other professional activities;
- D. Pays for travel by him or her; or
- E. Provides scholarship or fellowship assistance to him or her, or to a close relative.

XIII.

As a general rule, the College does not accept anonymous gifts. However, a donor's record may be marked anonymous upon approval of the Vice President for Advancement. Anonymity of a gift might be granted for a donor who wishes to protect his or her privacy; however, these donors are not anonymous to College leadership. In addition, a gift might be marked temporarily anonymous until such time as it is publicly announced or recognized. Upon approval, the Vice President for Advancement will inform the Board Ad-Hoc Gift Review Committee of the decision and the rationale for anonymity.

XIV.

- A. Neither the College nor any of its employees acting on behalf of the College may agree to act as the successor trustee of a living trust or the executor of any will in which the College

- D. The Office of Gift Planning may provide donors and their counsel for reference purposes with approved form documents for planned gifts to the College such as charitable remainder trusts, charitable lead trusts, and life estates.
- E. No employee of the College shall provide financial planning services for any donor. Prospective donors should be encouraged to seek the assistance of their own financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Further, to avoid conflicts of interest or the appearance of improper influence, the College shall not pay legal or other fees for the preparation of a donor's will, trust or any transfer on death documents that name the College as a beneficiary.

XV.

- A.
 - 1. To ensure the highest possible gift crediting and campaign counting integrity, all charitable contributions to the College will be counted and recorded in the Advancement database of record in accordance with the standards set forth by the Council for Advancement and Support of Education (CASE).

- B.
 - 1.
 - a. These reports display year-to-date cash and/or new fundraising (commitments) for a specific fiscal year only (July 1 to June 30).
 - b. Fiscal year cash reports reflect tangible asset transfers to the College (e.g., outright cash gifts, pledge payments, and realized bequests).
 - c. NQq0.00000912 0 612 792 reW*ñBT/F7 12 Tf17u992 reW*ñBT/F7 12 35 Tm are(to)8()-2(th)6(e

- e. The following guidelines apply to the counting of bequest intentions in fiscal year reports:
 - i. Legacy gift intentions described in paragraph E.1 of Section X, above, will be counted at face value.
 - ii. Life pledges described in paragraph E.2 of Section X, above, will be counted at face value.
 - iii. To avoid double-counting, when a legacy gift or life-pledge matures and is received by the College, any amount previously counted will not be counted again. If the amount realized exceeds that which was previously counted, only the excess will be counted in new fundraising as a realized bequest.

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than one fiscal year. Campaign gift counting periods are recommended by the Vice President for Advancement and approved by the College's Board of Trustees. The principles for counting gifts during a campaign include, but are not limited to, the following:

- a. Gifts and pledges received or committed to during the campaign period are counted in campaign totals.
- b. Certain gifts or pledges received or committed prior to the start of the campaign period may be counted only if the gift or pledge was not counted in a previous campaign and has been recommended for campaign counting by the Vice President for Advancement, with approval by the College's Board of Trustees.
- c. Subject to limits that may be set at the beginning of a campaign, irrevocable life-income gifts (annuities and trusts) funded during the campaign period will be reported in separate reports at both face value and discounted present value according to the IRS charitable deduction calculation. When life-income gifts mature, release values are not counted in campaign totals.
- d. Subject to limits that may be set at the beginning of a campaign, the following

but not limited to: transfers of assets not recognized as gifts in the College's financial accounting system; gifts recognized in different periods than in Advancement reporting; and gifts reported at different amounts based on differing methodologies used to value gifts in the College's financial accounting system and Advancement reporting.

Exceptions to the College's Gift Acceptance, Counting, and Reporting Policy may be granted by the Vice President for Advancement or his/her designee(s), in consultation with General Counsel, as necessary.

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