

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Gift Acceptance Policy

I. Introduction

The Riverside Community College District Foundation is a private non-profit organization whose mission is to raise private philanthropic funding for the benefit of the Riverside Community College District (RCCD) and its Colleges. The Foundation is responsible for the solicitation and management of private gifts to RCCD. This policy is designed to help facilitate the gift-giving process and to provide guidance to the entire RCCD community, outside advisors who assist in the gift planning process and to prospective donors who wish to make gifts to the Foundation.

II. General Policies

- A.** All gifts to the Foundation will comply with IRS requirements governing nonprofit 501(c)(3) corporations. In addition, the Foundation utilizes the standards and guidelines set forth by the Council for Advancement in Support of Fundraising (CASE).
- B.** Any formal solicitation of gifts to the Foundation will be made only by or in consultation with an authorized representative of the Foundation, including Foundation staff and members of the RCCD Foundation Board Directors.
- C.** Only the Executive Director of the Foundation, or his/her designee, is permitted to accept gifts on behalf of the Foundation. All gift activity will be reported and reviewed regularly by the RCCD Foundation Finance Committee.
- D.** The Foundation may reject any gift that it determines is inconsistent with the mission, goals or objectives of the Foundation, the District or Colleges, or if the gift is determined to not be in the best interests of the Foundation to accept.
- E.** Donors should be strongly encouraged to seek the advice of independent legal and tax counsel in all matters pertaining to gifts to the Foundation. Foundation staff and board members do not offer legal or tax advice to donors or potential donors.
- F.** When determined to be appropriate, the Executive Director will seek the advice of legal counsel in matters relating to the acceptance of gifts.
- G.** Gift intentions not conforming with the criteria noted below are subject to review and prior written approval by the Foundation's Finance Committee before acceptance.

III. Types and Valuation of Gifts

- A. Cash and cash-equivalents.** Gifts of cash and cash-equivalents will be credited at full value.

- B. Marketable Securities.** The Foundation may accept gifts of publicly traded stocks, bonds and mutual funds in accordance with the procedures provided by the Foundation's investment management firm. The Foundation must be able to convert the asset into cash and the gift may not cause any tax consequences to the organization. Gifts of securities will be valued at the mean of the stock price on the date of transfer.
- C. Closely Held Securities.** Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted. However, gifts of closely held securities must be reviewed by the Executive Director prior to acceptance. The Foundation must be able to convert the asset into cash and the gift may not cause any tax consequences to the organization.
- D. Tangible Personal Property, and Equipment and Real Estate.** Gifts of tangible personal property (art, jewelry, etc.), equipment and real estate, may be accepted subject to prior approval by the Executive Director. Valuation of such gifts will be made in accordance to IRS requirements, and supported by a third-party appraisal where appropriate.
- E. Pledges.** A pledge is a commitment to give a specific dollar amount according to a fixed time schedule. The Foundation will accept pledges with durations of up to five (5) years. Annual fund pledges are usually for amounts less than \$5,000. All pledges except annual fund pledges must be substantiated in writing. Pledges are recorded and booked in the year they are received. Pledges that are not paid in full according to the agreed upon time schedule are subject to review and cancellation at the discretion of the Executive Director.
- F. Life Insurance.** Gifts of fully-paid up life insurance policies, in which the Foundation is named as both beneficiary and owner, will be credited at the cash surrender value of the policy, calculated as of the date on which the gift is made. Gifts of term life insurance policies or insurance policies which are not fully paid-up at the date of gift, even though the Foundation may be both the owner and beneficiary, will be credited only to the extent of guaranteed policy cash surrender values at the date of gift or to the extent such values accumulate over the term of the policy. Pledges to make premium payments on policies in which the Foundation is named as both owner and beneficiary will be counted as outstanding pledges. Life insurance policies that name the Foundation as the primary beneficiary, but which are not owned by the Foundation will, upon proper confirmation, be recognized as anticipated future support.

G. Deferred Gifts.

- i. *Anticipated Bequests* - Donors are encouraged to make bequests to the Foundation under their wills and trusts. Irrevocable bequests will be counted at the face value on the date received. Revocable bequests may be counted toward campaign goals and/or yearly fundraising goals with the agreement of the Executive Director. If included in the totals, they should be clearly listed as revocable gifts.
- ii. *Charitable Gift Annuities* – The Foundation may choose to enter into a charitable gift annuity contract with a donor with the agreement of the Executive Director.
- iii. *Charitable Remainder Trusts, Pooled Life Income Funds* - The Foundation may accept designation as remainder beneficiary.
- iv. *Charitable Lead Trusts* - The Foundation may accept designation as income beneficiary.
- v. *Life Insurance and Retirement Plan Beneficiary Designation* – The Foundation may accept designation as beneficiary or contingent beneficiary on life insurance and retirement plans.

IV. Named Gift Minimums and Capital Naming Opportunities

A. Named Current-Use Funds. A current-use fund is a temporarily restricted or unrestricted fund that is established for the purpose of immediate use. Such gifts are placed at the immediate disposal of the Foundation and may be either restricted or unrestricted in purpose.

- i. A named current-use fund requires a minimum gift or pledge of \$5,000.
- ii. Current-use funds with balances under \$250 and/or no activity for two years will be reviewed and possibly closed if no additional activity or donations are anticipated.

B. Named Endowment Funds. An endowment fund is one in which the initial gift establishing the fund is restricted by the terms of the gift instrument so as to not be fully expendable on a current basis. Such funds are invested and expended according to the RCCD Foundation Endowment Management, Investment and Spending Policy.

- i. A named endowment fund requires a minimum gift or pledge of \$20,000.
- ii. Endowments must be fully funded within a maximum of five years. Funds that do not reach the minimum endowment level by the end of this period

are subject to review and funds may be re-designated for current use at the discretion of the Executive Director. If such re-designation occurs, every attempt will be made to honor the original donor intent for the use of funds.

C. Capital Naming Opportunities. A comprehensive list of capital naming opportunities is available, upon request, from the Foundation Office. Naming of buildings and spaces is governed by Riverside Community College District Policy BP 3950.

V. Stewardship

The Foundation will provide periodic reports to donors regarding the use of donated funds. In addition, donors will be afforded opportunities to experience, through various College and/or District organized events, the impact of their philanthropy. The Foundation will honor any donor's request for anonymity.

Adopted by the Board of Directors: 5/16/17