

## UNT Division of Advancement's Policy for Gift Acceptance

### Overview

This policy applies to all gifts that are accepted anywhere in the university. It is intended to cover restricted and unrestricted gifts, whether received for current programs and initiatives, student financial aid, special projects, philanthropic research, facilities, or endowment. This policy statement does not include research or technical grants which are covered under UNT policies.

### Definitions

Gift. A voluntary, philanthropic transfer of assets received from an individual, a corporation, a foundation or other organization. A gift may be made through a number of vehicles, including but not limited to cash, stock, estates, trusts, in-kind and real estate. The terms gift and grant are often used synonymously.

Real Property. Another term for real estate. It includes land and things permanently attached to the land, such as trees, buildings, and stationary mobile homes. Anything that is not real property is termed personal property.

Tangible Personal Property. All property other than land and buildings attached to land, that can be felt or touched. Cars, bank accounts, wages, securities, a small business, furniture, insurance policies, jewelry, patents, pets and season baseball tickets are all examples of personal property. Personal property may also be called personal effects, movable property, goods and chattel, and personalty. However, cash and checking accounts are not tangible personal property.

Gifts of Service. Donations of professional time or labor.

### Gift Acceptance Committee

Certain gifts, including but not limited to those involving unusual funding arrangements as described within this policy statement, must be reviewed by the Gift Acceptance Committee. The Gift Acceptance Committee receives its authority from the President of the University and shall be appointed by the Vice President for Advancement. This committee will make recommendations to the university regarding acceptance of restrictions on or rejection of these certain gifts. The Gift Acceptance Committee will be responsible for reviewing and approving the following proposed gifts before commitments are made to prospective donors. Acceptance of such gifts that take effect at the death of the donor must also be approved by the committee. Examples which might trigger the committee's review are:

- Gifts of personal property
- Gifts of non-publicly traded securities
- Gifts of partnership interests and other non-traditional investments
- Gifts of real estate
- Gifts with special restrictions that may be difficult or costly to administer
- Any gifts that are exceptions to existing guidelines or which fall outside the definition of acceptable gifts as defined by this policy

Any proposed gift to the University not described in this policy will be reviewed by the Gift Acceptance Committee prior to acceptance and administration.

### **Types of Gifts and Specific Acceptance Criteria**

The University may accept any of the following gift types:

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

Current gifts involve the transfer of money or property by a donor to the University of North Texas, without receipt of consideration or economic benefit by the donor in return for making the gift. Such gifts are placed at the immediate disposal of the University and may be either restricted or unrestricted in purpose. Most types of gifts may be donated to the University as current gifts, although gifts other than cash and publicly-traded securities must comply with the provisions and guidelines contained within this policy statement.

##### **1. Cash.**

Cash is currency, money orders, checks, or transfer of funds via wire to the University's bank account or by a verified credit card transaction.

Criteria: Cash is generally accepted by the University.

##### **2. Tangible Personal Property / Gifts in Kind.**

Tangible personal property (moveable) is any tangible property other than real property (immovable). Gifts in kind are tangible personal property gifts typically manufactured or otherwise produced by a donor or property typically used in their business as inventory or equipment.

Criteria: Tangible personal property and gifts in kind will be accepted by the University at the recommendation of the Gift Acceptance Committee.

3. Publicly Traded Securities.

Publicly traded securities, including stocks, bonds and other debt or equity instruments, are securities regularly traded on a public stock exchange.

Criteria: Gifts of publicly traded securities to the University are typically referred to the Foundation for administration and acceptance.

4. Closely-Held Securities.

Closely held securities include debt and equity positions in non-publicly traded companies; interests in limited partnerships, and interests in limited liability companies.

Criteria: Closely held securities must be approved by the Gift Acceptance Committee.

5. Real Estate.

Gifts of real (immovable) property include both developed and undeveloped property.

Criteria: The Gift Acceptance Committee will review all proposed real estate gifts and will issue a written opinion regarding the acceptance of each gift prior to acceptance of real estate by the University.

6. Oil, Gas and Mineral Interests.

Oil, gas and mineral interests include ownership of rights to income, royalties or rents from subsurface matter.

Criteria: These interests are typically referred to the Foundation for administration and acceptance.

7. Bargain Sales.

A bargain sale is effected when a property is purchased by the University at less than market value.

Criteria: The University may accept bargain sales upon review and recommendation of the Gift Acceptance Committee.

8. Life Insurance Policies.

Life insurance policies are contracts between a life insurance company and a policy owner which pay a specified sum to the life insurance beneficiary upon the death of the insured.

Criteria: Gifts of life insurance are typically referred to the Foundation for acceptance and administration.

9. Lead Interest from Charitable Lead Trusts.

Lead interest from charitable lead trusts is the income generated during the term of the trust.

Criteria: Lead interest income is typically accepted by the University

10. Pledges.

Pledges are promises to donate a specified sum at some point in the future, typically within a five year time frame.

Criteria: Pledges are typically accepted by the University

11. Services.

Services are donations of professional time or labor.

Criteria: Services are typically accepted by the University.

12. Other Property.

Other property is property not otherwise described above, whether real or personal, of any type, including copyrights, trademarks, royalties, servitudes, easements, or other incorporeal rights.

Criteria: The University may accept other property only after review and approval by the Gift Acceptance Committee.

B. Deferred Gifts.

Deferred gifts are not immediately available for the University to use and typically do not provide for immediate, full University ownership of the gift assets. Split interest gifts, such as Charitable Gift Annuities, Charitable Remainder Trusts, Charitable Lead Trusts and Retained Life Estate gifts typically are referred to the University of North Texas

Foundation, Inc. (the “Foundation”) for acceptance and administration. The University typically accepts the remainder interests in these split interest gifts.

1. Bequest and Devise.

A bequest is a gift to the University of cash personal property or other asset made in a donor’s will or living trust. A devise is a gift of real property made to the University in a donor’s will. Donors may also establish, by bequest with the Foundation, a testamentary Charitable Remainder Trust or a testamentary Charitable Gift Annuity.

Criteria: Bequests are typically accepted by the University. Pursuant to other related statements within this policy, devises are typically accepted upon the review and recommendation of the Gift Acceptance Committee.

2. Retirement Plan Beneficiary Designations.

Retirement plan beneficiary designations are gifts to the University through a contractual arrangement between the donor and their retirement plan administrator listing the University as a beneficiary of their retirement account. Examples include Individual Retirement Accounts and other qualified pension and profit sharing plans.

Criteria: Retirement plan beneficiary designation gifts are typically accepted by the University

3. Life Insurance Beneficiary Designations.

Life insurance beneficiary designations are gifts to the University through a contractual arrangement between the donor and their life insurance company listing the University as a beneficiary receiving any portion of the proceeds of their life insurance contract.

Criteria: Life insurance beneficiary designation gifts are typically accepted by the University.

4. Pay on Death (POD) and Transfer on Death (TOD) Designations.

Pay on death and transfer on death designations are gifts to the University through a beneficiary designation instrument related to a bank account, savings account, brokerage account, or a certificate of deposit.

Criteria: POD and TOD designated gifts are typically accepted by the University.

5. Remainder Interests in Property.

Remainder interests in property are ownership interests of real property realized at the end of a contract which allows the donor to remain in the property for the term of the contract - typically the life of the donor.

Criteria: The University may accept remainder interests in property gifts upon review and recommendation by the Gift Acceptance Committee.

6. Remainder Interests in Charitable Trusts.

Remainder interests in charitable trusts are ownership interests of the value of the trust principal at the end of the term of the trust.

Criteria: The University may accept remainder interests in charitable trust gifts upon review and recommendation by the Gift Acceptance Committee.

7. Remainder Interests in Charitable Gift Annuities.

Remainder interests in charitable gift annuities are ownership interests of the value of the gift annuity principal at the end of the term of the annuity

Criteria: The University may accept remainder interests in charitable annuity gifts upon review and recommendation by the Gift Acceptance Committee.

**Use of Legal Counsel**

The University shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate.

**Other Provisions**

It will be the responsibility of the donor to secure an appraisal when appropriate and to engage the advice of independent legal and financial counsel for all gifts made to the University. Any documents or other opinions rendered in the course of the relationship between the University and the donor should not be construed as legal or financial advice and the donor should engage professional counsel to review all documents and proposals prior to the completion of a gift.