New Jersey Institute of Technology
Gift Acceptance Policy Manual

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I. Introduction

1. This policy manual outlines the guidelines and standards pertaining to all charitable donations or gifts that are solicited, secured, and/or received by New Jersey Institute of Technology (including the New Jersey Innovation Institute) and the Foundation at New Jersey Institute of Technology (hereafter referred to as “the University”). These guidelines and standards have been reviewed and approved by University administration, legal counsel, the Board of Trustees, and the Board of Overseers, and represent the official policy of the University regarding charitable giving.

2. A charitable donation or gift is defined as a voluntary transfer of cash or other assets (such as real estate, securities, equipment, and works of art) from an individual or an organization (“donor”) to the University in which no goods or services are expected, implied, or forthcoming for the donor. A gift restricted by the donor for the benefit of a named individual or a group of named individuals does not qualify as a charitable donation under Internal Revenue Service (IRS) regulations.

3. This policy applies to all employees and University affiliates accepting donations on behalf of the University, including, but not limited to, Trustees, Overseers, administrators, deans, department heads, faculty members, and staff, both within and outside of the Office of Development & Alumni Relations. It is expected that all representatives of the University who are involved in any way in the gift solicitation and acceptance process will observe the protocols, guidelines, and procedures outlined herein in order to:

    a. Communicate the University’s needs and priorities to prospective donors.

    b. Secure charitable donations that support the mission of the University.

    c. Perform essential duties in the gift acceptance process.

    d. Obtain documentation required for donor acknowledgement, IRS filings, financial audits, and stewardship reports provided to donors and gift- and grant-making organizations.

    e. Promote strong donor relations and opportunities for future support from existing donors.

4. Because some gift situations may be complex, this policy establishes generally-applicable standards against which prospective and actual gifts will be evaluated, yet intentionally allows for flexibility on a case-by-case basis, to be exercised at the discretion of the President of the University and/or Vice President for Development & Alumni Relations.

5. This gift acceptance policy manual, compiled by New Jersey Institute of Technology’s Office of Development & Alumni Relations, will be reviewed on an annual basis and changes will be made as needed or appropriate, especially following major changes in federal tax law.

6. Overall responsibility for assuring compliance with the requirements of this policy is assigned to the Vice President for Development & Alumni Relations. All questions regarding this policy manual should be directed to him or her.

II. Gift Acceptance, Recording, and Acknowledgement

1. Acceptance of gifts

   a. As a general rule, the University accepts charitable gifts and pledges, i.e., promises to make a gift or gifts in the future, from individuals, corporations, and foundations, provided that they meet the following conditions:

      (1) The gift advances the University's mission, or the administrative implementation, management, and/or oversight of programs, activities, and services that contribute to the fulfillment of this mission.

      (2) Acceptance and use of the gift is consistent with the University's policies and procedures.

      (3) Acceptance and use of the gift is consistent with the laws, regulations, and policies of the State of New Jersey and the United States of America.

   b. The Vice President for Development & Alumni Relations, and, as appropriate, the President of the University and/or the Development & Alumni Relations Committee of the Board of Overseers, shall act on behalf of the University to evaluate and accept or decline gifts, as necessary or appropriate.

   c. The University reserves the right to decline certain gifts, including, but not limited to, those that do not meet the conditions stated above. In addition, gifts from which the University will realize little or no financial benefit, which require extraordinary or unacceptable expenditures of additional University resources, force inappropriate responsibilities upon the University, or may expose the University to undue adverse risk or publicity will not be accepted.

   d. In accepting a gift, the University accepts a responsibility to the donor to steward that gift. This includes recording, receipting, and administering the gift properly and in accordance with any donor stipulations, and, as necessary or appropriate, reporting to the donor or the donor's designee about the use of the gift.

2. Recording of gifts

   a. All donations to the University are subject to the protocols, guidelines, and procedures outlined in this gift acceptance policy manual.

   b. In order for a gift to be eligible for a tax deduction to the extent allowed by law and so acknowledged by the University, it must be recorded by the Office of Development & Alumni Relations.

   c. Any representative of New Jersey Institute of Technology who receives cash, a check, stock certificate, or any other property that is, or may be, a charitable contribution shall immediately notify the Office of Development & Alumni Relations of this matter by e-mail, telephone, or facsimile and shall then forward this contribution and relevant documentation to the Office of Development & Alumni Relations within 24 hours. See section IV.6 for additional policies regarding acceptance of personal property.

d. All gifts shall be recorded and acknowledged according to the standards recommended and/or required by the Council for the Advancement and Support of Education (CASE), National Association of College and University Business Officers (NACUBO), Governmental Accounting Standards Board's Accounting Standards Codification (GASB ASC), and Internal Revenue Service (IRS).

e. The legal date of a charitable gift, as defined by IRS Publication 526, is the date the asset ceases to be in the donor's control, and this relinquishing of control determines when the gift can be claimed or reported by the donor as a deduction. The University is not responsible for ascertaining or reporting the legal date to donors; however, the University will provide this information for donor relations purposes.

f. The following guidelines govern the date on which a gift ceases to be in the donor's control, based upon the type of asset transferred and the method used to deliver said asset to the University:

   (1) Cash or check via US Postal Service: postmark date on the envelope used to mail the completed gift defines the date on which the donor relinquished control. The carrier envelope (or a facsimile or digital copy of it) is retained by the Office of Development & Alumni Relations, for at least one calendar year for gifts of less than $1,000 and for at least seven years for gifts of $1,000 or more, as evidence of gift date in the event that the University receives an inquiry from a donor.

   For gifts made by check, for which no envelope exists, the date of the check shall serve as the date on which the donor relinquished control.

   (1) Cash or check via commercial delivery services: the date on which the gift arrives at the University is the date of the gift.

   (2) Cash or check delivered in person: date of delivery to the University. It is imperative that any gift correspondence delivered in person is date stamped and immediately forwarded to the Operations department in the Office of Development & Alumni Relations for processing.

   (3) Credit card donations: the date on which authorization of payment is obtained by the University from credit card agency.

   (4) Securities: the date depends on method of delivery. Via US Postal Service or commercial delivery service, see sections II.2.f.(1) and II.2.f.(2) above. For electronic transfer, the date the stock is credited to the University's account constitutes the legal date.

   (5) Gifts Via Alexa: NJIT was able, via a pilot program to become a part of the Alexa app voice activated giving program. To make a gift via Alexa, the donor asks Alexa to make a gift to NJIT. The date of the gift is provided to NJIT via the notification from Alexa

   (6) Cryptocurrency: gifts of this type are made via an NJIT widget on the giving page; the widget provides the date documentation when the donation is made.

g. The protocols and procedures governing the processing of all charitable donations or gifts are identified and summarized in the University's Gift Processing Policy, attached as Appendix A to this gift acceptance policy manual.

3. Acknowledgement of gifts

a. All donors are to be furnished, within a reasonable timeframe, a gift receipt with the date on which the gift was processed and recorded that meets the Internal Revenue Service's requirements, as detailed below:

(1) Name of organization.

(2) Amount of cash contribution.

(3) Description, but not value, of non-cash contribution.

(4) Statement that no goods and services were provided by the organization in return for the contribution, or a description and good faith estimate of value of goods and services that were provided.

b. In the case of a gift or gifts made through payroll deduction, an acknowledgment will be sent no later than January 31 of the year subsequent to the year in which the donations were made.

c. The Office of Development & Alumni Relations is the official and sole source of receipts and acknowledgement of all gifts made to the University. Other offices and individuals are strongly encouraged to express appreciation to donors and to send a copy of such communications to the Office of Development & Alumni Relations for inclusion in the donor's record and/or file.

III. Gift Purposes

1. General

a. New Jersey Institute of Technology seeks and accepts donations that are unrestricted for current operations, restricted to institutional priorities such as programs, financial assistance, and capital projects, and gifts to the endowment.

b. The University accepts commemorative gifts and anonymous gifts for any of these purposes and has procedures in place to comply with such requests.

2. Unrestricted gifts

a. Gifts donated without any express limitation placed upon them by the donor will be allocated for the University's current operations (also known as the "annual fund").

b. Gifts of $100,000 or more that (1) are received through a bequest or planned gift instrument (such as a charitable gift annuity or charitable remainder trust) and (2) are donated without any express limitation placed upon them by the donor will be directed to the University's endowment. The President of the University, at his or her sole discretion, may allocate such gifts to the annual fund or to other institutional priorities.

3. Restricted gifts

    a. The University accepts gifts of any amount to all existing funds that are designated for a specific college, department, program, or other need or priority of the University.

    b. Gifts that involve the creation of a new restricted fund are subject to appropriate administrative approval, and must meet minimum thresholds as outlined in the following sections to warrant administrative overhead. The University will make every effort to accommodate prospective donors with respect to the terms and conditions of restricted gifts, provided they support institutional needs and priorities and are of a sufficient level to support the proposed specific purpose. Gift proposals shall be prepared by the Office of Development & Alumni Relations and, in appropriate cases, referred to the President of the University and/or the Board of Overseers for review and approval.

    c. The minimum required pledge to create a named annual scholarship with specific criteria for awards is $10,000, payable over one year to five years and expended in equal scholarship awards of $2,000 per annum. An agreement will be signed by the donor and the University stipulating the award criteria, terms of payment, and disbursement.

    d. The minimum required pledge to create a named annual internship or research fund with specific criteria for awards is $5,000, payable over one year to five years and expended in equal internship or research awards of $1,000 per annum. An agreement, signed by the donor and the University, will stipulate the award criteria, terms of payment, and disbursement.

    e. Other restricted gift opportunities are considered on a case-by-case basis by the Vice President for Development & Alumni Relations.

    f. The Vice President for Development & Alumni Relations may, at his or her discretion, waive or otherwise modify these minimum thresholds.

4. Capital gifts

    a. Capital gifts fund or subsidize the construction of new facilities or the renovation of existing ones. The University's Board of Trustees must approve capital projects and, based on this approval, naming opportunities for an entire facility and/or rooms within that facility may be developed and established by the Office of Development & Alumni Relations, which are reviewed and approved by the President of the University and the Board of Overseers' Development & Alumni Relations Committee.

    b. Gifts to capital projects may be fulfilled over a five-year period, and may be funded through cash, securities, or real assets that can be liquidated during the pledge period. Except under unusual circumstances, as determined by the Vice President for Development & Alumni Relations and the President of the University, planned gift intentions established through annuities and trusts, with the exception of a charitable lead trust, cannot be designated for current construction projects.

    c. General guidelines for naming opportunities for capital projects are as follows:

(1) A new capital project or renovation project that is entirely funded by private gifts requires a gift of approximately 50% of the total project and administrative costs (including design, engineering, site and landscaping expenses, and possibly furniture, fixtures, equipment, and maintenance reserve) in order for a donor to be able to name the facility.

(2) A new capital project or renovation project that is only partially funded by private gifts requires a gift of approximately 50% of the fundraising goal in order for a donor to be able to name the facility.

(3) Specific spaces or areas within a new capital project or renovation project may be named by donors. Such naming opportunities will be determined by the Vice President for Development & Alumni Relations and recommended to the Development & Alumni Relations Committee of the Board of Overseers, for approval and adoption.

(4) Naming opportunities for campus enhancements such as landscaping, equipment, and furnishings must be consistent with the campus land-use master plan. These naming opportunities require a contribution of at least $5,000 and must cover the entire cost of installation and, if significant, of ongoing maintenance, unless otherwise authorized by the Vice President for Development & Alumni Relations.

d. In cases in which it may be prudent or appropriate to remove a name from a named facility, building, space, or room, the Vice President for Development & Alumni Relations will determine the appropriate action to be taken, in consultation with the President of the University and the Development & Alumni Relations Committee of the Board of Overseers. Any such action must be approved by the Board of Trustees.

5. Endowment gifts

a. An endowment created by a donor's gift provides a permanent source of income for the University. The corpus or principal of the endowment is to be maintained in perpetuity and only investment income and net appreciation may be expended. A percentage of the income and appreciation on an endowed gift is annually allocated, based on the University's endowment spending policy; the allocation of such earnings (also known as the "spending distribution") is used to support the endowment's specified purpose, as established by the donor.

b. A donor establishing an endowment fund at the University has the option to name said fund, in honor of either the donor or another person or entity, as requested by the donor. Such naming opportunities are among the highest forms of donor recognition available at the University, and celebrate the generosity of donors whose support is invaluable to the mission of the University.

c. A donor may contribute the amount required to establish an endowment fund (see sections III.5.h-i below) over a period of up to five years. Prior to the endowment fund's reaching the appropriate minimum endowment threshold, all gifts ("pledge payments") from the donor will be invested in the University's commingled endowment (or "pooled endowment fund"), but no earnings or income will be released until the corpus or historic gift value reaches the appropriate threshold. The fund must reach the appropriate threshold by December 31 in order to be awarded for the following academic year or by June 30 for the following spring semester.

d. As soon as any gifts or pledge payments are made toward a newly-established endowment fund, the fund is assigned a number of units based on the market value of the endowment. Spending distributions are then calculated on a unit basis for distribution purposes. A percentage of the earnings, based on a rate and formula determined by the Joint Investment Committee of the Board of Overseers and Board of Trustees, is distributed each year. The current practice at the University is that distributions from the endowment are calculated annually at approximately 5% of the assets multiplied by a rolling average of the quarterly market values for the preceding twelve (12) quarters. Spending distributions must be expended in accordance with the terms and conditions established by the donor, and any available spending distributions not expended in a given year will be held for use in future years.

e. On an annual basis, the Office of Development & Alumni Relations will report to the donor the endowment fund's corpus or historic gift value, market value, and the spendable amount distributed, and will encourage those benefiting from the endowment fund to express their appreciation to the donor in writing.

f. In the event that any pledge to establish an endowment fund remains unfulfilled after its agreed-upon due date(s), the Vice President for Development & Alumni Relations, after consultation with other officers of the Foundation at New Jersey Institute of Technology, may redirect the received funds into the University's general scholarship endowment or other appropriate endowment fund.

h. Criteria for awarding, using, or administering an endowment fund will be negotiated between the donor and the Office of Development & Alumni Relations, as necessary. Criteria should be flexible in order to alleviate any potential difficulties in awarding or using the endowment fund in any given year. Unless the agreement specifies otherwise, the selection of recipients is made by the appropriate University administrators, faculty, or staff.

i. The terms and criteria for all endowment funds will be documented in writing and signed by both the donor and the President of the Foundation at New Jersey Institute of Technology. The donor and the University will each receive an original signed agreement for their records. Agreements shall include any restrictions on the gift or regarding announcement of the gift, the University's standards for fund management, stewardship obligations, pledge payment schedule (if applicable), and the donor's intention that the pledge may be a legally enforceable claim upon his or her estate.

j. Because conditions change over time, all endowment instruments shall contain the following or similar language:

   "In the event that any restriction contained in this agreement regarding the management, investment, or purpose of this endowment fund is or becomes impracticable, impossible to achieve, no longer feasible, or incapable of award or use for a period of three (3) years, officers of Foundation at New Jersey Institute of Technology may, in their discretion and with agreement from the donor or his or her designee(s), determine an alternative use of the endowment fund that most closely matches the original intent of this agreement."

k. The minimum endowment threshold amounts noted and described below are effective as of July 1, 2018. They are subject to periodic review and adjustment by the University.

(1) Endowed book fund

(a) The minimum required commitment to establish an endowed book fund, which provides assistance to the University undergraduate and graduate students in purchasing textbooks and other required course materials, is $10,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(2) Endowed student internship and research funds

(a) Hands-on learning is a major component of the educational experience at the University. Since some internship positions and summer research opportunities are either unpaid or only partially compensated, endowed funds enable students to pursue these experiential learning opportunities without financial hardship.

(b) The minimum required commitment to establish an endowed internship or research fund is $50,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(3) Endowed scholarship

(a) An endowed scholarship provides financial assistance to students, subsidizing their tuition, required fees, and room and board, on the basis of academic merit and/or financial need. Endowed scholarships aid the University by providing financial assistance that would otherwise be paid entirely out of the operating budget, enabling the University to direct this money toward other institutional needs and priorities. Endowed scholarships also enable the University to enroll students who meet certain academic or demographic criteria and thus contribute to strengthening the student body profile.

(b) The minimum required commitment to establish and endow a restricted, named scholarship is $50,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(4) Endowed professorship/chair and deanship

(a) An endowed professorship/chair or deanship is a position permanently funded or subsidized by earnings from an endowment fund specifically set up for that purpose. An endowed professorship or chair is typically designated to a certain department and awarded to a faculty member who has distinguished himself or herself by his or her contributions in teaching, scholarship/research, and/or service. An endowed deanship is typically designated to a particular college at the University.

(b) An endowed professorship or chair aids the University by providing compensation for a faculty member who would otherwise be paid entirely out of the operating budget, enabling the University either to reduce its student-to-faculty ratio or to direct monies that would otherwise have been spent on salaries toward other University needs and priorities. In addition, holding such a position is considered an honor in the academic world and the prestige associated with an endowed position contributes to the University's recruitment and retention of outstanding faculty.

(c) The minimum required commitment to establish and endow a professorship/chair is $2,500,000, payable over five to seven years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(d) The minimum required commitment to establish and endow a deanship is $4,000,000, payable over five to seven years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(5) Endowed faculty research fund

(a) An endowed faculty research fund provides funding for faculty to conduct advanced research. It is typically designated for research in a specific discipline or family of disciplines.

(b) The minimum required commitment to establish and endow a faculty research fund is $500,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(6) Endowed college, school, and department/program

(a) The minimum required commitment to endow and name one of the University's six colleges is $6,000,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(b) The minimum required commitment to endow and name a school at the University is $3,500,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(c) The minimum required commitment to endow and name a department or program at the University is $2,000,000, payable over one year to five years, or equivalent present value when established through an irrevocable deferred gift or bequest intention.

(7) Endowed building fund

(a) An endowed building provides support for the annual operating and maintenance costs associated with a specific University facility.

(b) The minimum required commitment to endow a fund to support a specific campus facility is at least 35% of the annual operating and maintenance expenses associated with the facility.

(8) Other endowment giving and naming opportunities are considered on a case-by-case basis by the Vice President for Development & Alumni Relations.

I. In cases in which it may be prudent or appropriate to remove a name from a named endowment fund, the Vice President for Development & Alumni Relations will determine the appropriate action to be taken, in consultation with the President of the University and the Development & Alumni Relations Committee of the Board of Overseers. Any decision to remove a name must be approved by the Board of Trustees.

m. The Vice President for Development & Alumni Relations may, at his or her discretion, waive or otherwise modify these thresholds.

IV. Gift Instruments

1. General

   a. New Jersey Institute of Technology seeks and accepts outright gifts, deferred or planned gifts (both irrevocable and revocable), gifts of personal property, gifts-in-kind, and gifts of real estate.

2. Outright gifts

   a. Cash, checks, and credit cards

      (1) Gifts given via cash and cash equivalents, checks, and credit cards are accepted by New Jersey Institute of Technology, subject to the limitations specified under section II.1, regardless of amount, unless, as with any gift, there is a question as to whether the donor has sufficient title to the assets or is mentally competent to transfer the funds to the University legally.

      (2) Checks shall be made payable to “Foundation at NJIT.” Under no circumstances shall a check be made payable to an employee, agent, or volunteer who represents the University.

   b. Securities

      (1) New Jersey Institute of Technology accepts gifts of stocks and bonds of all publicly-held corporations (“marketable securities”). Offers of gifts of securities of closely-held corporations will be referred to the University’s Vice President for Development & Alumni Relations and Senior Vice President of Finance and CFO for review before acceptance.

      (2) Gifts of marketable securities may be completed in several ways, which will have a direct impact on the transfer of ownership (see section II.2.f.(5)). In order to assure a smooth transfer, it is imperative that the Operations department in the Office of Development & Alumni Relations be involved in all transactions involving gifts of securities to the University.

      (3) Valuation and proceeds from gifts of marketable securities

         (a) New Jersey Institute of Technology does not hold stock for an indeterminate period of time but seeks to sell the securities as expeditiously as possible.

         (b) The donor is credited with the fair market value of the gift, which is the average price between the highest and lowest quoted selling prices on the date of transfer to the University.

(c) In some cases, the fair market value of the gift is less than the original amount pledged because of market fluctuations during the transfer and sale.

(d) If there is a written pledge agreement and/or the loss is approximately 1% or more of the amount pledged, the staff member in the Office of Development & Alumni Relations assigned to the donor shall, at his/her discretion, consult with the donor about contributing the remaining amount.

(e) If the loss is less than approximately 1% of the amount pledged, the University generally writes off the remainder of the pledge. In the case of scholarships, research awards, or other endowed funds, the fund will be considered fully endowed and managed accordingly.

(4) Valuation and proceeds from gifts of non-marketable or closely-held securities

(a) Non-marketable or closely-held securities include: partnerships, limited partnerships, limited liability companies, closely-held companies, stock of entities that fall under SEC Rule 144, legend stock or bonds of entities that are thinly traded, and stock of entities held for sale at the request of a donor.

(b) The Vice President for Development & Alumni Relations, in consultation with the Senior Vice President of Finance and CFO and the Assistant Vice President of Planned Giving, coordinates acceptance of all gifts of non-marketable or closely-held securities and must be notified prior to the acceptance of any such gifts. Because of the unique nature of these securities, special due diligence review will be required prior to acceptance.

(c) The value of these securities as reported by the Office of Development & Alumni Relations will be determined based on the fair market value of the securities on the date of gift, using an appraisal or alternative method of valuation acceptable to the Vice President for Development & Alumni Relations.

3. Pledges

a. A pledge is defined as a promise to make a gift to be paid subsequently by the donor, usually in installments. A pledge can only be made by the donor exercising legal control over the assets to be given.

b. The University accepts pledges that will be fulfilled within the current fiscal year upon documented verbal or written notification by the donor. All such pledges will be terminated at the close of the fiscal year, if unfulfilled at that time.

c. The University accepts multi-year pledges to unrestricted, restricted, capital, or endowment funds. All multi-year pledges must be documented with a written agreement that includes the purpose and use of the gift, a specific dollar amount and fixed time schedule for payment, and the donor’s signature.

d. Pledges that impose on the University or a third party any requirement(s) that must be met prior to the promised transfer of assets are considered conditional pledges. Such pledges –

which specify a future and uncertain event whose occurrence or failure to occur releases the donor from his or her obligation to transfer the assets that he or she has promised – may not be reported until the requirement(s) is fulfilled.

e. In keeping with the Council for the Advancement and Support of Education (CASE) standards for reporting, the University discourages multi-year pledges that extend beyond five years, except in cases of unusually large pledges. The Vice President for Development & Alumni Relations may, at his or her discretion, modify this generally-applicable guideline.

f. The Governmental Accounting Standards Board's Accounting Standards Codification (GASB ASC) requires the recording of unconditional promises to give as revenue. These pledges must be recorded as revenue in the period that the promise is made, not when the gift (or "pledge payment") is received.

g. At the end of each fiscal year, the Office of Development & Alumni Relations will review all outstanding receivable pledges. For all pledges in which a donor does not fulfill his or her pledge or fails to maintain progress toward pledge fulfillment, the University will not, under normal circumstances, take any legal action. Instead, the following steps will be taken to analyze the ability of the University to collect the pledge:

    (1) After the first year of missed payment on a pledge, the Office of Development & Alumni Relations staff member assigned to the donor will call, or schedule a personal visit with, the donor to discuss the donor's intention to fulfill the pledge, adjustments to the pledge fulfillment schedule, and/or the reason(s) he or she has chosen not to fulfill the pledge.

    (2) Pledges may be cancelled under the following circumstances:

        (a) Death of a donor (unless the donor's estate is legally bound).

        (b) Renegotiation of a pledge.

        (c) Shortfall on a gift of securities.

        (d) Written notification from the donor.

    (3) The decision to cancel, write off, or modify unpaid or unfulfilled pledges is ultimately at the discretion of the Vice President for Development & Alumni Relations.

h. The specific protocols and procedures governing pledges to the University are outlined in the University's Gift Processing Policy, attached as Appendix A to this gift acceptance policy manual.

4. Gifts and pledges via third-party entities

    a. The University accepts and receives gifts and pledges from private foundations, donor-advised funds, community foundations, and corporations, with or without the advice or direction of third-party friends

b. With respect to donor-advised or directed gifts from third parties, the University records the entity as the donor of the gifts and issues a receipt to the entity issuing the check. In such a case, the University will also record the name of the party who advised or directed the gift to be made to the University and will provide him or her with credit for the gift (i.e., “soft credit”), for the purposes of recognition and stewardship.

5. Matching gifts

   a. The University accepts and receives gifts from donors that are matched by additional contributions from the employers of the donors. The University will allocate employer matching funds to the same purpose as the corresponding donor’s gift, unless the donor requests otherwise or the policies of the company prohibit matching gifts for a particular purpose. The University will record the employer as the donor of a matching gift and issue a receipt to the employer.

   b. Matching gifts are not credited toward a donor’s pledge. A donor’s gift agreement should state clearly the amount that he or she will personally give to the University.

6. Personal property and gifts-in-kind

   a. The University accepts tangible personal property, including equipment, instrumentation, works of art, antiques, coin, stamp and other collections, automobiles, manuscripts, and books, on an outright basis or through a bequest. Such gifts may be accepted only after it has been determined that the property is readily marketable or may be used by the University in a manner consistent with one of the purposes for which it was granted its charitable and educational status. In general, gifts of personal property may be of use to the University if they have inherent instructional, historic, or aesthetic value.

      (1) Proposed gifts of personal property must be evaluated by the relevant dean(s) and/or vice president(s) at the University to determine whether the costs associated with receiving the gift can be accommodated, including transportation, storage, display, maintenance and upkeep, repairs, and sale. If the University is not able to absorb these costs, the gift may be declined or the donor given the opportunity to contribute the necessary funds to cover such costs.

      (2) In general, no personal property shall be accepted under conditions that obligate the University to own the property in perpetuity. Prospective donors of personal property should be advised that the University reserves the right to sell or otherwise dispose of the personal property in question, if such action is deemed advisable or necessary.

      (3) If the University intends to sell a gift of personal property immediately rather than use it, the donor must be informed, as IRS rules may limit the amount of the charitable deduction the donor may claim.

      (4) The value of any gift of personal property of $5,000 or more must be documented by a qualified independent appraiser. Generally, the cost of such an appraisal will be the donor's responsibility. In special circumstances, the Vice President for Development & Alumni Relations may approve the University’s payment of the cost of an outside appraisal. The University, or any representative of the University, cannot appraise or assign valuation to gifts of personal property under any circumstances.

(5) The University is not responsible for completing IRS form 8283 and any other required government documents related to gifts of personal property. This responsibility resides solely with the donor.

(6) All prospective gifts of laboratory equipment, instruments, and supplies must comply with the terms and conditions outlined in the University's "Policies and Guidelines for Acceptance of Donated Laboratory Equipment and Supplies," attached as Appendix B to this gift acceptance policy manual.

(7) On behalf of the University, the Office of Development & Alumni Relations will maintain a current inventory of items received as gifts of personal property.

b. Gifts of intangible personal property, such as royalties or mortgages, may be accepted only after review and approval by the Senior Vice President for Finance and CFO, in consultation with the Vice President for Development & Alumni Relations.

c. Non-cash donations of materials by companies or vendors that are directly related to the mission of the University are recorded at the fair market value. The donor must provide documentation of the fair market value in order to receive gift credit and recognition.

d. A deep discount is considered as a gift-in-kind only when it is special reduction. The gift-in-kind is the difference between the prevailing retail price and the discounted price.

e. Professional services are not considered a charitable contribution by the IRS. Service providers seeking gift credit may bill the institution for their services, accept payment, and subsequently make a cash gift to the University.

7. Real estate

a. The University may accept gifts of real estate on an outright basis, to fund a charitable trust, or through a bequest.

b. The Senior Vice President for Finance and CFO, the Vice President of Real Estate Development and Capital Operations, and the Vice President for Development & Alumni Relations must review all proposed donations of real estate. After review, they will make a recommendation to accept or reject the proposed donation to the President of the University, who will either approve or reject the donation.

c. The University will retain, at its own expense, legal counsel for real estate transactions.

d. For proposed donations of real estate, the University generally requires a title search and insurance, marketability check, on-site inspection, and environmental study. At the University's discretion, these expenses may be borne by the donor.

e. Properties involving mortgages, liens, unpaid taxes, or other encumbrances will be evaluated as a bargain sale and are subject to legal and financial review.

f. The donor must obtain at least one qualified appraisal of the property within a 60-day period prior to donating the real estate. The appraisal(s) and the donor's legal fees are generally paid for by the donor. In certain circumstances, the Vice President for Development & Alumni Relations may recommend that the University obtain an independent appraisal at its own expense.

g. Life estate gifts

   (1) The University may accept gifts of a personal residence or farm for which the donor retains life interest for himself or herself and/or his or her spouse upon approval of both the Development & Alumni Relations Committee of the Board of Overseers and the Finance & Audit Committee of the Board of Trustees. The donor receives a charitable deduction in the year in which the property is irrevocably deeded to the University.

   (2) The agreement creating the life estate must provide, at a minimum, that the donor and/or life tenant will remain responsible for: the payment of mortgages, taxes, insurance, (property insurance with the University as a loss payee; general liability insurance with the University as an additional insured; and other appropriate insurance determined by the University); utilities, maintenance, repairs, and general upkeep; and other costs associated with the property. These requirements may be waived or otherwise modified at the University's discretion.

   (3) Periodic proof of payment for applicable items and certificates of insurance may be required by the University.

8. Deferred or planned gifts

   a. A deferred or planned gift is a present commitment to make a future gift, evidenced by a legal contract or agreement. Deferred gifts at the University include bequests, bequest intentions, life income gifts, and gifts of life insurance.

   b. With respect to all deferred or planned gifts, the following guidelines and protocols shall apply:

      (1) No employee of the University shall provide any legal advice or financial planning services for any donor. Prospective donors should be encouraged to seek the assistance of their own legal and 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 University shall not pay legal or other fees for the preparation of a donor's will or living trust that names the University as a beneficiary.

      (2) Neither the University nor any of its employees acting on behalf of the University may agree to act as the successor trustee of a living trust or the executor of any will in which the University is named as a beneficiary, without the approval of the Vice President for Development & Alumni Relations.

      (3) University employees acting on behalf of the University shall not draft wills or living trusts naming the University as a beneficiary, regardless of whether such employee is

licensed to practice law, without the approval of the Vice President for Development & Alumni Relations. (This provision does not apply to employees drafting their own will, or wills for family members, naming the University as a beneficiary.)

(4) University employees may provide donors with suggested bequest language or assistance with other language pertaining to gift designation within the University. Suggested bequest language is readily available from the Planned Giving department within the Office of Development & Alumni Relations.

(5) The University's Office of Development & Alumni Relations may provide donors and their counsel with approved form documents for planned gifts such as charitable remainder trusts, charitable lead trusts, and bequests.

c. Bequests and bequest intentions

(1) By making a bequest through a will or revocable trust, the donor can make a gift of any assets to New Jersey Institute of Technology. The donor can specify that the University receive an amount in dollars or as a percentage of the estate, designate specific articles of personal property, or leave the remainder of his or her estate after other provisions of the donor's will have been satisfied. The donor can establish a charitable remainder trust or charitable lead trust in his or her will or revocable trust, which becomes effective at the donor's or another beneficiary's death.

(2) In accordance with CASE standards, the University recognizes bequest intentions and counts them as pledges, provided that the donor: (1) has signed a bequest intention form and/or sent the University a copy of the relevant page(s) from his or her will, wherein the University is identified as a beneficiary of his or her estate; and (2) is the owner of sufficient assets to satisfy the amount committed, as best as the University can ascertain. Although the University may provide an acknowledgement of the pledge for donor recognition purposes, the University will not provide any gift receipt to such donors until the pledge is satisfied, per IRS regulations.

d. Life income gifts

(1) Life income gifts include charitable remainder trusts and charitable gift annuities.

(2) No representation of a life income gift or plan will be made that could be construed as marketing the fund as an investment or security of any type. Life income gifts shall be encouraged as a method of making charitable donations to the University.

(3) All life income gifts entered into will comply with the applicable state and federal laws. All disclosures required by state or federal agencies will be made in a timely manner.

(4) The University will accept cash, cash equivalents, and marketable securities, and may accept real property, to fund life income gifts.

(5) Charitable gift annuity

(a) The donor irrevocably transfers a minimum of $25,000 of cash or publicly-traded securities for the initial gift, or $5,000 for any additional gifts. The donor will be recognized at the face value of the gift and is eligible for a charitable gift deduction for the present value of the gift. In consideration of this gift, New Jersey Institute of Technology will pay to the beneficiary (limited to two persons who are at least 60 years of age) a guaranteed fixed annual payment, generally paid quarterly, for the lives of the individuals named in the gift annuity agreement, with payment to begin in the first quarter following completion of the gift. Charitable gift annuity rates are based on the age(s) of the income beneficiary (or beneficiaries), in accordance with the American Council on Gift Annuities. At the death of the last income beneficiary, the annuity assets become the sole property of the University.

(6) Deferred gift annuity

(a) A deferred gift annuity is the same as a charitable gift annuity, except that the annuity payments are deferred for a specified number of years after the gift is made. Deferred annuities shall be accepted from younger donors, provided the income stream does not begin until age 50.

(7) Charitable remainder unitrust

(a) The donor irrevocably transfers a minimum of $100,000 in cash, long-term securities, or real property to a trustee. New Jersey Institute of Technology will serve as the trustee, provided that the University has, at a minimum, an irrevocable 51% interest in the remainder. The trustee annually pays the donor and/or beneficiary (limited to two persons, including the donor, who are at least 50 years of age) a fixed percentage of the fair market value of the trust assets valued annually (not less than 5%), for the life of the donor and/or other beneficiary. The donor can add assets to the unitrust at any time during his or her lifetime and by his or her will, if the trust document so provides. At the death of the last income beneficiary, the trust assets become the sole property of the University.

(8) Charitable remainder annuity trust

(a) A charitable remainder annuity trust is the same as a charitable remainder unitrust, except that the annuity trust: distributes a fixed annuity amount each year (rather than a fixed percentage); only cash and other publicly-traded (or liquid) assets are acceptable funding assets; no additional contributions can be made to an annuity trust; and it can be established for a term not to exceed 20 years.

(9) Charitable lead trust

(a) The donor establishes a trust with a minimum value of $100,000 for a specified number of years with income going to the University. When the trust ends, the principal reverts to the donor or to others designated by the donor. If the trust is a qualified charitable lead trust, the donor may receive a charitable deduction of an amount equal to the present value of the income stream to the University. Income earned by a charitable lead trust is not taxable to the donor, and the donor has the opportunity to transfer assets to his or her heirs at reduced tax costs.

9. Life insurance

   a. The University accepts gifts of new or existing whole life insurance policies (no term or non-dividend policies), for which the donor or insured designates the University as the sole owner and irrevocable beneficiary. The donor is then entitled to a charitable contribution deduction for the policy's fair market value (approximate cash surrender value).

   b. At the discretion of the Vice President for Development & Alumni Relations, the University may accept gifts of life insurance policies that have a loan against the value.

   c. Gifts of paid-up life insurance will be accepted. Donors will be informed that the University may retain the policy in force or elect to surrender the policy for the cash surrender value immediately or at any time the University deems appropriate. The University is not compelled to hold a life insurance policy for the donor's lifetime, unless a written agreement to do so is created at the time the gift is made.

   d. A donor may gift an existing policy that is not paid up by naming the University as sole owner and irrevocable beneficiary. The donor may elect to make gifts to the University on an annual basis to pay the premiums costs. The University will likely apply these gifts to premiums but is under no obligation to do so. If the donor does not respond to a premium bill by the due date, the University will cash it in for the cash surrender value.

V. Qualification and Registration

1. The Foundation at New Jersey Institute of Technology is the philanthropic fundraising arm of New Jersey Institute of Technology and qualifies, under both federal and state law, as a tax-exempt organization to which charitable contributions are deductible to the full extent of the law for income, gift, and estate tax purposes.

2. The Foundation at New Jersey Institute of Technology is registered to solicit charitable contributions in all states requiring such registration, and is registered to issue charitable gift annuities in the following states: California, Florida, Maryland, New Jersey, New York, North Carolina, and Washington.

3. The Foundation at New Jersey Institute of Technology's federal tax identification number is 22-1714037.