

Gift Acceptance Policy

Policy number: 117
Policy owner: VP of University Advancement

Date of initial publication: February 16, 2018
Date of latest revision: November 13, 2025

SECTION I. PURPOSE

The purpose of this policy is to facilitate the acceptance and administration of gifts and pledges to the University of St. Thomas, in a manner that assures that gifts are aligned with the university's mission, vision and strategies and will not subject St. Thomas to costs or risks it is unwilling to accept. This policy is designed to reflect best practices regarding gift stewardship, donor relations, effective management of donor relationships and available resources, and to ensure compliance with applicable laws.

SECTION II. SCOPE AND APPLICABILITY

This policy governs all gifts and pledges of gifts to St. Thomas, regardless of whether the gift is cash or in-kind; restricted or unrestricted; or cultivated by or designated for use by one or more St. Thomas schools, colleges, divisions, departments or other units, including but not limited to the university's athletic teams and its alumni and student clubs and organizations.

The expectations set forth in this policy apply to all St. Thomas students, employees (faculty, staff and student workers), contractors and volunteers, and all schools, colleges, divisions, departments and other units, including athletic teams and alumni and student clubs and organizations.

Approval of this policy and any amendments is reserved to the St. Thomas Board of Trustees or its authorized committee(s), which are referred to in this policy as the **Board**. The policy may be amended at any time at the Board's discretion.

SECTION III. DEFINITIONS

For purposes of this policy, the following terms have the following meanings:

- a. **Donor** means any person who makes a completed gift to St. Thomas or pledges a gift to St. Thomas or its tax-exempt subsidiaries. A donor may be one or more individuals or a corporation, foundation or other entity.
- b. **Gift** means a complete, voluntary and irrevocable transfer of property interests from a donor to St. Thomas, where the donor intends to make a gift and gives up control over the transferred rights, without receiving a benefit of equal value in return. For a gift to be completed, St. Thomas must accept the gift and have sole authority to exercise control and discretion over the gifted interests, subject to any donor restrictions established at the time the gift is made.
- c. **Gift acceptance committee** means a designated set of St. Thomas administrators who act objectively and without direct involvement in the solicitation of the gift, and who are authorized, as a group, to make decisions or recommendations about the acceptance of certain gifts in accordance with this policy. The gift acceptance committee is chaired by the vice president for University Advancement or the vice president for University Advancement's designee and includes the chief financial officer or the chief financial officer's designee. Other members are designated by the president in consultation with the

vice president for UA. The Office of General Counsel advises the gift acceptance committee on legal aspects of proposed gifts.

- d. **Gift instrument** means a pledge or gift form or other documentation that evidences a donor's pledge or gift and the mutual understanding between a donor and St. Thomas in relation to the pledge or gift.
- e. **Gift officer** means a UA staff member assigned to work with a particular donor.
- f. **Pledge** means a donor's promise to make a gift to St. Thomas in the future. A pledge is not a completed gift but may be legally binding and required to be recorded by St. Thomas as a financial asset of the university or its subsidiaries.
- g. **UA** means the University Advancement division.

SECTION IV. SOLICITATION OF GIFTS AND PLEDGES

Only specifically designated employees, contractors and volunteers are authorized to solicit gifts on behalf of St. Thomas. Authorized individuals include the president, vice president for UA, gift officers, deans, athletic director and dean/athletic director designees, employees whose position descriptions include gift solicitation, and contractors and volunteers whose engagement expressly includes an obligation to solicit gifts. Other members of the St. Thomas community must obtain authorization from the vice president for UA or the president before making contact with current or prospective donors to formally or informally solicit any gift. All gift solicitations must be in accordance with this policy and any other applicable policies, which requires additional approvals for the solicitation of gifts of specified types or above specified amounts. The process and guidelines for seeking advance approval prior to soliciting gifts is coordinated by University Advancement under the leadership of the vice president for UA.

SECTION IV. SOLICITATION OF GIFTS AND PLEDGES

Only specifically designated employees, contractors and volunteers are authorized to solicit gifts on behalf of St. Thomas. Authorized individuals include the president, vice president for UA, gift officers, deans, athletic director and dean/athletic director designees, employees whose position descriptions include gift solicitation, and contractors and volunteers whose engagement expressly includes an obligation to solicit gifts. Other members of the St. Thomas community must obtain authorization from the vice president for UA or the president before making contact with current or prospective donors to formally or informally solicit any gift. All gift solicitations must be in accordance with this policy and any other applicable policies, which requires additional approvals for the solicitation of gifts of specified types or above specified amounts. The process and guidelines for seeking advance approval prior to soliciting gifts is coordinated by University Advancement under the leadership of the vice president for UA.

SECTION V. CLASSIFICATION AND COUNTING OF GIFTS

Gifts generally are not subject to an exchange of consideration or contractual duties on the part of St. Thomas. Assets generally will be classified and counted as gifts unless they require performance of obligations by St. Thomas or other consideration that may result in their designation as taxable advertising payments, sponsored research, or another non-gift designation under applicable law. When making determinations of whether or not a particular transfer of assets counts as a gift, St. Thomas will be guided by standards promulgated by the Council for Advancement and Support of Education (CASE).

SECTION VI. GIFT RESTRICTIONS AND DESIGNATIONS

Donors may restrict gifts to particular purposes at the time the gift is made, so long as the restriction is, as determined by St. Thomas in its discretion, consistent with and furthers the university's mission, administrable by St. Thomas, and legal. Restrictions may not benefit a particular individual, provide a donor with continued control of the gift after it is made, or establish conditions upon which the gift must be returned to the donor.

All donor restrictions must be clearly documented in the gift instrument. Once the gift has been made, neither the donor nor any persons designated by the donor can direct the use of the gift. If a donor does not restrict a gift for particular purposes in the gift instrument, St. Thomas will treat the gift as an unrestricted operating asset available for general use and allocation by St. Thomas at its discretion. The university's subsequent designation of such assets for a particular purpose does not convert the gift from unrestricted to restricted use and does not require donor consent.

SECTION VII. GIFT AND PLEDGE ACCEPTANCE REQUIREMENTS

St. Thomas will consider all gifts offered to it and will seek to accommodate all gifts it determines can be used consistently with its mission, vision and strategies. However, the acceptance of any gift or pledge is at the discretion of St. Thomas, subject to the terms of this policy.

A. Authorization to Accept Gifts

Gift officers and other individuals who are authorized to solicit gifts also are authorized to accept gifts and pledges, unless different approval requirements are provided in this policy, and subject to all gift and pledge acceptance requirements set forth in this policy.

B. Categories of Gifts That Will Not Be Accepted

St. Thomas will not accept gifts or pledges if:

- St. Thomas determines it cannot use the gift in a manner consistent with its mission, vision and strategies;
- The gift or pledge violates the terms of this policy or other St. Thomas policies, including (without limitation) its Equal Opportunity Statement and Notice of Nondiscrimination;
- The gift or pledge violates applicable law or jeopardizes the university's tax-exempt status;
- The gift or pledge involves or is anticipated to result in costs, complexity, risk or reputational consequences that exceed the value of the gift or that St. Thomas otherwise is unwilling to accept;
- The gift is revocable, incomplete or reserves other interests to the donor, except for remainder interests in real estate, fractional interests in art, or other split interest gifts that are expressly provided for under the provisions of the U.S. Internal Revenue Code (e.g., charitable gift annuities, charitable lead trusts, charitable remainder trusts, and charitable pooled interest funds); or
- St. Thomas must provide the donor with goods or services of financial value in exchange for the gift or pledge, unless the gift complies with the requirements for classification as a "quid pro quo" contribution under IRS rules and guidance, in which case St. Thomas will provide the donor with an appropriate disclosure statement including the value of such goods and services in the time and manner required under federal and state law and regulations.

C. Minimum Conditions for Acceptance

Before any pledge or gift may be accepted by St. Thomas, the designated gift officer must:

- Evaluate whether the gift or pledge falls into one of the categories of unacceptable gifts and, if so, work with the donor to reconsider the gift or pledge such that it may be accepted by St. Thomas, in consultation with St. Thomas accounting, investment, tax, legal, planned giving or other subject matter experts as appropriate;
- Refrain from providing the donor with advice regarding the tax or legal implications of any proposed gift and encourage the donor to consult the donor's own professional advisors for advice in making the gift or pledge;
- Obtain any approvals required by this policy; and
- Ensure the gift or pledge is documented properly as required by this policy, as detailed in Section VIII.

D. Referral to Gift Acceptance Committee

The following non-cash and non-routine gifts and pledges must be referred to the gift acceptance committee for review and approval before the gift or pledge may be accepted:

1. Gifts of archival collections, artwork and books valued at more than \$500 (individually or in the aggregate);
2. Gifts of intangible property, such as copyrights, patents or royalties;
3. Gifts of oil, gas and mineral rights;
4. Gifts with sale restrictions;
5. Gifts that require encumbrance of the university's unrestricted resources;
6. In-kind gifts of commercial goods and services;
7. Gifts of real estate;
8. Gifts of securities and other business interests that are not publicly traded (e.g., limited partnership interests, limited liability company interests, carried interest, closely held stock, S-corporation stock);
9. Gifts of cryptocurrency;
10. Gifts of foreign currency; and
11. Other gifts required by this policy to be referred to the gift acceptance committee.

The gift acceptance committee has authority to approve the acceptance of gifts and pledges referred to it with a value up to \$1 million in the aggregate or that require encumbrance of the university's unrestricted resources in an amount up to \$100,000.

Proposed non-cash and non-routine gifts and pledges with values exceeding \$1 million or that require encumbrance of unrestricted university resources in an amount greater than \$100,000 may not be accepted without approval of the president. The gift acceptance committee will review and make a recommendation to the president regarding the acceptance of such gifts and pledges. If the gift or pledge exceeds \$5 million in aggregate value and the president wishes to accept the gift or pledge, the president will consult with the Board Chair prior to approving such gifts and pledges. If the gift or pledge exceeds \$10 million in aggregate value, or the president and Board Chair judge the gift or pledge to involve significant potential for liability or risk to St. Thomas, the gift or pledge may be accepted only with approval of the Executive Committee of the Board.

Gift Acceptance Policy

Policy number: 117

Date of initial publication: February 16, 2018

Date of latest revision: November 13, 2025

E. Other Gift Acceptance Requirements

1. Beneficiary Designation Under Retirement Plan and Life Insurance Policy

Donors may name St. Thomas as a beneficiary of the donor's life insurance policies or accounts such as a donor's bank, brokerage or retirement plan assets (e.g., Individual Retirement Accounts (IRAs), qualified pension plans and profit-sharing plans). In order to designate St. Thomas as a beneficiary, the donor must follow the instructions of the plan administrator or insurance company to name or change beneficiaries. No specific St. Thomas approvals are required for gifts made by beneficiary designations.

2. Bequests

A bequest is a gift of cash, property or other assets made in a donor's will or revocable (living) trust. Bequests may provide for a dollar amount in cash, specific securities, tangible or intangible personal property, real estate, or a percentage of the residue of the estate. Donors are encouraged to make bequests to St. Thomas in their wills and trusts, and to notify St. Thomas about such bequests by documenting the bequest on a St. Thomas pledge form or other written document. St. Thomas may disclaim bequests or portions of bequests at the discretion of the gift acceptance committee.

Bequests gifting real and personal property to St. Thomas require referral to the gift acceptance committee and are subject to approval to the same extent and in the same manner as would be required for an outright gift of such property.

Revocable estate gifts such as testamentary bequests will be recorded at the stated dollar value on the donor's pledge form. If the gift is contingent upon one additional life (such as a spouse or partner) but no more than one life, the gift will still be recorded at the stated value. All donors who document future revocable gifts will receive an official acknowledgment of their future gift and will be recognized with membership in the university's legacy society.

St. Thomas, including its UA staff and other employees, generally will not serve as a personal representative or successor trustee for an estate or living trust, or as a witness for a will. Requests for exceptions will not be granted without the prior approval of the gift acceptance committee.

3. Cash Gifts

Gifts and pledges of cash may be accepted without specific approval, unless they encumber the university's unrestricted resources or involve naming of assets. Gifts involving encumbrances require referral to the gift acceptance committee. Gifts involving naming opportunities must comply with the Naming Policy.

4. Challenge Match Gifts

Challenge match gifts are gifts that match other donor gifts based on a predetermined set of criteria. The university does not accept challenge match gifts outside of crowdfunding and Tommie Give Day. Exceptions must be approved by the Gift Acceptance Committee. Additionally, potential challenges over \$1 million require presidential approval. Any approved match gifts will be structured with utmost simplicity to ensure administration of match does not create administrative burden. The sole purpose of approved match gift is to inspire other donors to give.

5. Other Matching Gifts

UA has discretion whether to accept a donor's request to apply a matching gift by a donor's employer, foundation, donor advised fund or other legal entity to fulfill all or a portion of a donor's pledge.

Matching gifts must be pledged and gifted by a legally authorized representative of the entity making the matching gift. Individual donors may only pledge or gift cash and other property over which they have ownership and legal authority, and may not commit the funds or other property of another person or entity to fulfill the donor's personal pledge.

6. Endowed Funds

Endowed funds will have a maximum of five years to reach the minimum endowment funding level established in the gift instrument, and may have a shorter period if set forth in the gift instrument. Endowed funds that are designed to be funded by a deferred gift through a donor's estate plan will have up to five years after the donor's death to meet the required minimum funding level. For other gifts, the funding period will begin on the earlier of (a) the date the gift instrument is signed by the donor and (b) the first date that any portion of the gift is completed. If the minimum funding level is not achieved by the applicable deadline, St. Thomas may treat the fund as a non-endowed gift fund and may choose to spend down the funds as specified in the gift instrument or as otherwise permitted by applicable law.

7. Life Income Gifts

St. Thomas offers a variety of gift plans that will provide an income to donors or others during their lifetimes. These plans fall into two categories: charitable gift annuities and charitable remainder trusts. These are considered to be irrevocable gift instruments and do not require referral to the gift acceptance committee except as noted below.

- a. **Charitable Gift Annuities.** A charitable gift annuity (CGA) is a contractual arrangement between a donor and St. Thomas that is part gift, part contract. Under a CGA, St. Thomas accepts a transfer of cash or publicly traded securities (including mutual funds) and agrees to make periodic annuity payments to one or two annuitants named by the donor for the life of the annuitant(s). A portion of the annuity payment is generally tax-free income to the annuitant(s). Upon the death of the annuitant(s), the balance of the principal is retained by St. Thomas and administered for the benefit of St. Thomas in accordance with any donor restrictions.

Because the CGA is a part gift (in that St. Thomas will retain the principal balance remaining after all annuities are paid), the donor may be able to take an income tax deduction on a portion of the principal initially transferred to St. Thomas. Gift annuities are a general obligation of St. Thomas backed by all the university's assets.

St. Thomas generally requires CGAs to be funded within a specified contribution range, with a minimum age for life annuitants, as detailed below. St. Thomas generally follows the recommended annuity rates published by the American Council on Gift Annuities (ACGA). The UA Planned Giving Department can provide current rates or may offer rates lower than the ACGA recommended rates. The offered rates take into account the age of the annuitants at the time of the gift and are actuarially calculated to provide that approximately 50% of the market value of each gift will remain at the death of the last annuitant based on a conservative estimate of investment return. St. Thomas will not offer or accept CGAs with rates that exceed the ACGA recommended rates, or that do not meet the gift minimum, or that exceed the allowed maximum contribution amount, unless the exceptional rates and

Gift Acceptance Policy

Policy number: 117

Date of initial publication: February 16, 2018

Date of latest revision: November 13, 2025

amounts are approved by the gift acceptance committee, in consultation with the university's Treasury Office.

- The maximum amount to establish annuity payments for the benefit of each individual annuitant is \$1 million. This maximum may be reached through the establishment of one CGA or through multiple CGAs.
- The minimum contributed amount to establish a donor's first CGA is \$50,000.
- There is no minimum for subsequent CGAs established by the same donor; however, subsequent CGAs below \$10,000 are subject to approval of the UA lead for Planned Giving.
- CGAs proposed to be funded with property other than cash or publicly traded securities are subject to approval of the gift acceptance committee.
- The minimum age for life income annuitants is 55 for regular CGAs, and 45 for deferred payment CGAs.
- St. Thomas must be the sole charitable beneficiary of the CGA.

UA maintains a list of states that require annual or one-time registration/notification to administer CGAs in that state. St. Thomas cannot issue or accept CGAs in a particular state unless it has taken appropriate steps to comply with applicable state registration and other requirements to administer the CGA.

- b. **Charitable Remainder Trusts.** A charitable remainder trust (CRT) is an irrevocable trust established by a donor and funded by a gift of cash or other property. The CRT pays an income stream to the donor or other beneficiaries for a term of years or for the beneficiaries' lifetime. At the end of this payment period, any cash or property remaining in the CRT is granted to one or more charitable beneficiaries designated by the donor.

St. Thomas accepts designation as a remainder beneficiary of charitable remainder trusts (CRTs) subject to certain requirements detailed below. St. Thomas will agree to serve as trustee of a CRT for which it is a named remainder beneficiary under certain conditions. The gift acceptance committee must provide its approval prior to St. Thomas agreeing to serve as a trustee of a CRT.

There are several types of CRTs. The most common is a **unitrust** which pays a fixed percentage of the value of the trust assets, determined annually. Another type of CRT is an **annuity trust**, which pays a fixed annuity amount. The rates for the income payments are determined by the donor and must be within a minimum and maximum rate established by applicable law. However, if St. Thomas agrees to serve as trustee, the rate selected by the donor must be approved by the gift acceptance committee prior to agreeing to serve as trustee.

Each CRT is a separate tax entity. The obligation to pay the beneficiaries during the term of the CRT is an obligation of the CRT and not St. Thomas, even if St. Thomas agrees to serve as trustee of the CRT.

St. Thomas generally will accept designation as a remainder beneficiary of a CRT under the following conditions:

- Minimum gift to establish and initially fund a CRT for which St. Thomas (or its designated trustee company) serves as trustee: \$100,000.

- St. Thomas will only allow a lifetime income for beneficiaries who are age 60 or older at the time the CRT is established. For beneficiaries younger than 60, the term of the CRT must not exceed 20 years.
 - St. Thomas may (but is not obligated to) serve as trustee only for CRTs for which at least 51% of the remainder is irrevocably designated to St. Thomas.
 - If a CRT is to be funded with real estate, the donor or a third party such as a bank must serve as trustee until the property is sold within the trust, at which time St. Thomas may assume trusteeship at the sole discretion of St. Thomas (if the other requirements for serving as trustee are met).
 - St. Thomas will not serve as a trustee of a CRT with distributable income payment rates over five percent (5.0%) without prior approval of the gift acceptance committee.
 - St. Thomas will not serve as trustee of any CRT that is projected to last longer than 30 years without the approval of the gift acceptance committee.
- c. **Charitable Lead Trusts.** St. Thomas may accept designation as the income beneficiary of a charitable lead trust (CLT). A CLT is a split interest trust where the qualified charity receives the income interest with the remainder interest passing to the donor or some other designated beneficiary. St. Thomas will not serve as a trustee of a CLT without the approval of the gift acceptance committee.

8. Life Insurance Policies

St. Thomas will accept gifts of permanent life insurance with a cash value under the circumstances detailed below. Due to the administrative costs of receiving and maintaining life insurance gifts, the minimum value (death benefit) for consideration of a life insurance gift in which St. Thomas owns the policy is \$50,000. St. Thomas will not accept gifts of term life insurance that name St. Thomas as the owner of the policy, as such policies have no cash value.

Irrevocable gifts of permanent life insurance policies that have a cash value may be accepted by St. Thomas whether the policy is “paid up” or has premium payments remaining, so long as the donor agrees in writing to make (and does make) any remaining premium payments or to contribute the amount of any remaining premium payments to St. Thomas. Donors may choose to make the premium payments directly to the insurer, but will not receive a charitable deduction acknowledgment from St. Thomas for those payments. Alternatively, donors may choose to make one or more gifts to St. Thomas for the payments. In that case, following transfer of the policy, premium notices will be delivered to St. Thomas, which will pay the premium after the donor’s premium contribution is received. If the donor gifts the premium payments directly to St. Thomas, St. Thomas will provide the donor with a receipt in the amount of the premium payment gifts to St. Thomas. If the donor elects to no longer pay the premiums or make gifts to pay the premiums, St. Thomas may modify the terms of the policy or surrender the policy for its current cash value without notice to the donor.

No insurance products and no insurance company or agents are endorsed by St. Thomas for use in funding gifts to St. Thomas. In addition, St. Thomas will not enter into any direct agreements with insurance companies or their agents which promote new premium financed life insurance plans for donors or alumni of St. Thomas, for life settlement plans for existing policies owned by St. Thomas, or for any plans which involve St. Thomas purchasing life insurance policies on the lives of St. Thomas donors, Board members, employees or volunteers.

9. Pooled Gifts from Multi-Donor Groups

In some circumstances, multiple donors seek to pool their gifts to support a particular purpose, or St. Thomas wishes to solicit gifts for the same fund from multiple unrelated donors. St. Thomas does not establish endowed funds with donors from different households. Donors who wish to pool their support for a common purpose may do so by establishing a current-use fund or creating individual endowments that support the same purpose. Exceptions require approval by the Gift Acceptance Committee.

10. Real Property

Gifts of real property include undeveloped land, agricultural, residential and commercial property. All gifts of real property, including bargain sales benefitting St. Thomas, are subject to approval of the gift acceptance committee. Due to the costs associated with receiving and maintaining a gift of real property, the minimum value for consideration of a gift of real property is \$200,000. St. Thomas will not accept a donation of property that is subject to a mortgage, lien or other encumbrance. St. Thomas will not accept gifts of timeshares or other real estate interests where the donor does not own 100% of the property.

Before accepting any gift of real property, St. Thomas must undertake appropriate due diligence as determined by the gift acceptance committee, which will at a minimum include a basic title search. For commercial real property, a survey and Phase I environmental assessment will be required prior to acceptance, unless an exception is made by the gift acceptance committee. St. Thomas may require a survey and Phase I environmental assessment for other prospective gifts of real property, and may require a Phase II environmental assessment to be conducted for any prospective gifts of real property, at the sole discretion of the gift acceptance committee. The donor is required to pay for the qualified appraisal, transfer fees and all surveys and environmental studies required by St. Thomas, unless otherwise agreed upon by the gift acceptance committee.

All gifts of real property will require execution of appropriate documentation between the donor and St. Thomas that includes an environmental liability indemnification from the donor to St. Thomas, in a form acceptable to St. Thomas. Gifts of real property may be subject to additional conditions and require additional representations and warranties from the donor, in the discretion of the gift acceptance committee.

Gifts of real property may be made in a variety of ways:

- a. **Outright gift.** Donor transfers the property to St. Thomas by deed for the use of St. Thomas or for immediate liquidation with proceeds directed in accordance with any donor restrictions.
- b. **Bargain sale.** Donor sells the property to St. Thomas for less than its appraised value and may receive a charitable deduction for the appreciated portion of the property.
- c. **Bequest.** Donor bequeaths the property to St. Thomas in the donor's will or revocable (living) trust. St. Thomas may disclaim the gift at the discretion of the gift acceptance committee.
- d. **Life income gift.** Donor transfers ownership of the property to fund a charitable remainder trust. Typically income would not begin to accrue to the donor until after the property is sold and the resulting proceeds are invested by St. Thomas.
- e. **Transfer on death deed.** Donor deeds property to St. Thomas to take effect upon the donor's death. The deed must be recorded prior to the donor's death. Transfer on death deeds are revocable by the donor. Transfer on death deeds are available in Minnesota but are

not available in every state. St. Thomas may disclaim the gift at the discretion of the gift acceptance committee.

- f. **Retained life estate (RLE).** Donor transfers ownership of a personal residence, farm or vacation property to St. Thomas but retains the right to live in or use the property until death or another specified period of time under an RLE agreement. The minimum value for consideration of an RLE is \$200,000. The donor may be able to take a charitable deduction for the estimated remainder value of the property at the time the property is transferred. St. Thomas requires the donor or life beneficiary to execute a Life Tenancy Agreement which specifies that the donor will:
- Maintain the property and pay all costs related to maintenance.
 - Keep insurance on the property.
 - Pay all expenses for real estate taxes, assessments and property indebtedness.
- g. **Transfer of privately held securities or other private interests in an entity holding real property.** Donor transfers non-publicly traded securities or other privately held business interests to St. Thomas, resulting in the university's ownership of real property or interests in real property.

11. Securities

Gifts of publicly traded stock, mutual fund shares and other publicly traded securities will be accepted by St. Thomas without prior approval.

Gifts of publicly traded securities will be handled by UA Gift Accounting personnel. Donors should transfer the publicly traded securities directly to St. Thomas, which will liquidate the securities and transfer the proceeds to the appropriate fund in accordance with any donor restrictions. Transfer instructions are available on the St. Thomas website. The gift date and gift value of the gifted securities will be determined in accordance with applicable tax law and CASE Standards. Any profit or loss from sale of the securities will not affect the original receipted valuation.

Gifts of privately held securities are subject to the approval of the gift acceptance committee, which may establish conditions for the acceptance of the gift. Due to the costs associated with receiving a gift of privately held securities, the minimum value for consideration of a gift of privately held securities is \$200,000.

Privately held securities include, but are not limited to, debt and equity positions in non-publicly traded companies (including but not limited to private company stock), interests in limited partnerships and limited liability companies, stock options and S corporation stock. The gift acceptance committee will require and assess information regarding the valuation of the securities; future liquidity events (including, among other considerations, discounting, timing and probability); any restrictions that would prevent conversion to cash; marketability; unrelated business taxable income (UBTI); potential for any undesirable consequences of ownership, including liability considerations; and any other factors the committee deems relevant.

12. Other Tangible Personal Property

Tangible personal property includes artwork, manuscripts, collections, vehicles, boats and other non-real property. St. Thomas generally will not accept gifts of tangible personal property that cannot readily be used to advance its mission, unless the purpose of the gift is to enable St. Thomas to sell the property upon transfer. St. Thomas may decline gifts of tangible personal property that restrict its ability to dispose of the property upon a determination that holding the property is no longer in the university's interests.

All gifts and pledges of tangible personal property with a value greater than \$500 are subject to approval of the gift acceptance committee and the additional approvals set forth below. The gift acceptance committee will not consider gifts that have not first obtained the required approvals below. Gifts that receive all required approvals must be documented with a deed of gift.

- a. **Artwork.** Gifts and pledges of artwork must be reviewed and approved for acceptance by the appropriate St. Thomas Art Acquisition Committee (University of St. Thomas Collection or American Museum of Asmat Art Collection), and if approved must then be referred to the gift acceptance committee.
- b. **Books.** Gifts and pledges of books must be reviewed and approved for acceptance by the director of the St. Thomas libraries or an approved designee of the director, and if approved must then be referred to the gift acceptance committee.
- c. **Papers, Archival and Special Collections.** Gifts and pledges of papers, archival collections and special collections must be reviewed and approved for acceptance by the head of special collections and the director of the St. Thomas libraries, and if approved must then be referred to the gift acceptance committee.
- d. **Other Miscellaneous Property.** For gifts and pledges of other tangible personal property not identified above in which the asset is intended to be used by a school or college, department or program, a specific faculty or staff member, or other St. Thomas unit, the UA lead for planned giving will seek review and approval for acceptance from whomever will be responsible for the ongoing maintenance and costs incurred related to the asset, e.g., the dean of a college. If approved, the proposed gift will be referred to the gift acceptance committee.

Tangible or intangible personal or real property that is not otherwise described above, of any type (including copyrights, trademarks, intellectual property rights, royalties, servitudes, wetland credits, conservation or other easements) must be referred to the gift acceptance committee.

F. Valuations

If the donor values real or personal property gifted to St. Thomas at \$5,000 or more, the Internal Revenue Service requires the donor to obtain a qualified appraisal and submit IRS Form 8283. All appraisals must be obtained at the donor's expense and submitted to St. Thomas along with IRS Form 8283. The appraiser's signature must appear on the IRS Form 8283 before an authorized signatory of St. Thomas can sign the form. The chief financial officer is the authorized signatory. Except for real estate gifts, the appraisal need not be provided to St. Thomas if the donor does not intend to take an income tax deduction or will not claim a deduction beyond the donor's cost basis in the property. If no appraisal is required for the donor's purposes, St. Thomas may seek its own independent appraisal of the property. In such cases, the donor may be requested to provide documentation to facilitate the valuation of the gift. UA Gift Accounting must be involved with the appraisal of all gifts of real or personal property for which the donor has not submitted IRS Form 8283 to St. Thomas.

SECTION VIII. PLEDGE AND GIFT INSTRUMENTS

Gifts and pledges must be documented as set forth below, unless otherwise determined by the president or the vice president for UA. An original or copy of the fully executed pledge and gift instrument will be stored by the UA Advancement Systems unit.

A. Take-and-Go Receipts

Accepted gifts of tangible personal property that are valued at \$500 or less do not require a written pledge or gift instrument, but the donor will be given a take-and-go receipt. UA Gift Accounting may choose whether not to enter the gift into the St. Thomas gift recording system.

B. Undesignated and Unrestricted Cash Gifts

Cash gifts made by check, money order, credit or debit card, ETF, payroll deduction or wire transfer that are not designated for a particular purpose or subject to restrictions do not require additional documentation from the donor.

C. Simple Pledge and Gift Forms

Pledges and gifts of cash and publicly traded securities that are subject to donor restrictions may be documented on simple pledge and gift forms maintained by UA or in online giving systems utilized by UA so long as the form or system clearly identifies any donor restrictions and is executed by the legal donor (either manually or through an acceptable electronic or facsimile signature).

D. Pledge and Gift Instruments

A formal, written pledge or gift instrument is required for all pledges and gifts that:

1. include a naming opportunity;
2. establish an endowed fund;
3. are irrevocable pledges;
4. are subject to donor restrictions that cannot readily be addressed on a simple pledge or gift form or through the online giving system;
5. involve tangible personal property or real estate with an estimated or known value greater than \$500; or
6. are a non-cash gift of property other than tangible personal property or real estate.

The terms of pledge and gift instruments should provide St. Thomas as much flexibility as possible to permit the most productive use of the gifted assets over time, while clearly stating any donor timing and purpose restrictions on the gift. Information to be recorded in a pledge or gift instrument includes, without limitation:

- clear identification of the donor (individual, donor advised fund, foundation, company, etc.);
- a description of the gift, including the dollar amount of any cash gift, and the estimated or appraised value of any non-cash gift;
- whether the gift is an endowment or expendable (operating) gift;
- any donor restrictions on the gift purpose, including the intended use of the gift, and provision for the handling of gift purposes that become unworkable over time;
- a provision giving St. Thomas sufficient variance power to modify the purpose of the gift if it becomes unworkable over time;
- a payment schedule for gifts that will not be completed immediately;

- the terms of any donor recognition for the gift, including the provisions and any time limitations on any naming of assets associated with the gift (as further addressed in the Naming Policy); and
- any other reasonable terms that are acceptable to St. Thomas.

UA Donor Relations and Gift Accounting and Compliance prepare pledge and gift instruments using designated templates approved by the vice president for UA in consultation with appropriate subject matter experts. Gift officers are not permitted to make material changes to approved templates. If a gift officer has questions about a template, a material deviation from a template is requested by a donor, or a template does not exist for a particular gift, the gift officer must consult with a designated representative of the UA Donor Relations or Gift Accounting and Compliance unit, who will facilitate revisions or the preparation of a new pledge or gift instrument if appropriate. Any material deviation from these templates must be reviewed by the VP of UA, Office of General Counsel and the Controller's Officer prior to execution.

Signing authority for pledge and gift instruments is delegated by the president. In general, the vice president for UA has authority to sign pledge and gift instruments on behalf of St. Thomas, other than certain naming gifts (see the St. Thomas Naming Policy for specific thresholds). St. Thomas deans and other university leaders may be asked to sign pledges and gift instruments, in a non-binding capacity, when gifts benefit their areas of oversight, and to support donor stewardship.

E. Corporate and Foundation Gift and Grant Award Letters

A signed charitable gift or grant award letter from a foundation or corporation is an acceptable gift instrument for charitable gifts and grants if the letter accepts all terms of the award proposal submitted by St. Thomas or clearly identifies any excluded terms, and if it contains any donor restrictions, reporting requirements, contribution schedule, recognition and/or other obligations proposed by the donor and acceptable to St. Thomas. If a gift or grant award proposal or other documentation was submitted to the foundation or corporation clarifying the intended use of the gift or grant, such documentation is expected to be retained with the gift instrument.

The director of sponsored programs, the president or the vice president for UA have authority to sign corporate and foundation gift and grant award letters for St. Thomas, following consultation with university leadership involved with and/or affected by those gifts and grants, and any appropriate subject matter experts, such as the office of sponsored programs.

F. Wills, Trusts and Estate Planning Documents

Wills, trusts and other legal documents evidencing estate plans are acceptable gift instruments. However, to help ensure the donor's philanthropic intent is fully realized and ensure St. Thomas can accept and administer the gift, St. Thomas prefers to obtain a signed pledge or gift instrument in addition to the legal documents evidencing the estate plan.

SECTION IX. POST-ACCEPTANCE OBLIGATIONS

Following acceptance of a gift by St. Thomas, other than gifts subject to a take-and-go receipt, the university representative who accepted the gift must provide the gift (if received directly) and any gift instrument to UA Gift Accounting, which will process and record the gift. Donors of gifts that are not subject to take-and-go receipts will receive a gift receipt for completed gifts in accordance with IRS guidelines. St. Thomas will use gifts in accordance with the donor's intent to the extent documented in the gift instrument.