



# Hampton University Gift Acceptance Policy

## Purpose

- The purpose of this policy is to establish standards for the acceptance, recording, and receipting of gifts to Hampton University.
- This policy applies to all gifts of private support received by the University, including departments, programs, and centers.
- This policy focuses on the Office of Advancement & External Engagement's reporting practices.

## Introduction

- Hampton University ("Hampton" or "University"), a 501(c)(3) non-profit organization, encourages the solicitation and acceptance of gifts that align with its mission and core values.
- This Gift Acceptance Policy ("Policy") outlines procedures for accepting charitable gifts to the University.
- These procedures are guided by the following principles:
  - A gift must benefit Hampton University.
  - A gift must not create excessive administrative costs, liability, or future expenses.
  - A gift must have been acquired legally, with a clear title transfer to the University.
  - A gift must comply with all applicable laws and University policies.

# Ethical Standards

Hampton University is committed to ethical conduct and will comply with the standards of national fundraising and advancement organizations, such as the Council for Advancement and Support of Education (CASE) and the Association of Fundraising Professionals (AFP).

## Assignment of Responsibilities

This section clearly defines the assigned responsibilities for gift acceptance and management, outlining the distinct roles of the Board of Trustees, the President, the Chief Advancement Officer and staff, and the Chief Financial Officer and staff in ensuring ethical and compliant philanthropic operations at Hampton University.

<b><i>Board of Trustees</i></b>	<b><i>University President</i></b>	<b><i>Chief Advancement Officer &amp; Advancement Staff</i></b>	<b><i>Chief Financial Officer and Business Affairs Staff</i></b>
Authorizes University officers to accept gifts.	Ensures compliance with this policy.	Raise private gifts to support the University's mission.	Are responsible for accepting, managing, and liquidating illiquid gifts and deferred gifts.
Establishes the University's Gift Acceptance Policy.	Delegates the acceptance of liquid assets to the Office of Advancement & External Engagement.	Ensure proper documentation of gift restrictions.	Are consulted on gifts that impact the campus master plan.
May approve capital campaigns.	Delegates the acceptance and liquidation of illiquid assets and deferred gifts to the Chief Financial Officer, in consultation with the Chief Advancement Officer.	Provide data and analysis of offered assets to the Chief Financial Officer.	Review data and analysis from the Office of Advancement & External Engagement and conduct due diligence on illiquid and deferred gifts.
	Retains the right to review these delegations and will be consulted on significant gifts.	Consult with the President, the Chair of the Board of Trustees, and the Chief Financial Officer on significant gifts.	
		Are authorized to sign estate distribution receipts on behalf of the University.	

# Definition of a Gift

- A gift is a voluntary transfer of assets to the University without expectation of goods or services in return.
- Gifts are motivated by philanthropic intent.
- The University has control over gifted assets and is not obligated to return unexpended funds.
- Gifts are not subject to contractual obligations, though they may be restricted for specific purposes.
- Funds from individuals, family foundations, foundations, corporate foundations, or corporations are generally classified as gifts.
- The University is guided by CASE standards in determining whether a transfer of assets qualifies as a gift.

## Gift Designation & Restrictions

This section outlines the protocols for gift designation and restrictions, specifying how gifts are recorded, how donor-designated purposes are honored, and the allocation process for undesignated funds within Hampton University.

TYPE	DESCRIPTION
<b>Gift Fund Designation</b>	All gifts must be directed to a specific gift fund in the Office of Advancement & External Engagement's database.
<b>Donor Directed Purpose</b>	Donors may designate a University recipient (e.g., department or program) and a purpose for the gift.
<b>Allocation of Undesignated Gifts</b>	Undesignated gifts will be allocated at the discretion of the Chief Advancement Officer, in consultation with the President.
<b>Designated Recipient, General Purpose</b>	Gifts designated for a specific recipient but not a specific purpose will be added to the recipient's general gift fund.
<b>Designated Purpose Gifts</b>	Gifts designated for a specific purpose will be added to an existing fund with the same purpose or used to create a new fund.
<b>Naming Opportunities</b>	Naming opportunities are addressed in the University's Naming Policy.

## Gift Agreements

A gift agreement documents the understanding between the donor and Hampton regarding a charitable contribution, ensuring clarity and compliance for all philanthropic engagements.

## Requirements and General Provisions

- A gift agreement documents the understanding between the donor and Hampton regarding a charitable contribution.
- Gift agreements are generally required for: new obligations and multi-year commitments; outright gifts for specific purposes; and endowed funds, physical spaces, and academic units, programs, or centers.
- Gift agreements should be as flexible as possible while clearly stating the donor's intent.
- Information in a gift agreement includes: gift amount/pledge, source and purpose of gift and any restrictions, pledge payment schedule, donor information and recognition, and other requirements or obligations.
- Gifts/pledges not documented by a formal gift agreement generally need to be documented in another way (e.g., a signed letter of intent or University gift/pledge form).
- Proposed gift restrictions based on protected characteristics are not acceptable.
- Pledge payment periods may be up to five years, with the first payment due within one year of the gift agreement's execution.
- Pledges from family foundations should be non-binding statements of intention.
- Corporate matching gifts do not apply to individual pledges.
- The University may retract naming rights for unfulfilled pledges, redirecting remaining funds to a similar purpose.
- Pledges for capital or programmatic projects require 50% funding before work commences.

## Approval and Documentation Process

- The Chief Advancement Officer, in consultation with the President, the Chief Financial Officer, and General Counsel, makes final decisions on gift agreements.
- The Office of Advancement & External Engagement staff draft gift agreements using approved templates.
- Material changes to templates require the Chief Advancement Officer's permission.
- The Vice President for Advancement assists with gift agreement questions and deviations from templates.
- A signed award letter from a foundation or corporation is acceptable if it includes the terms of the original proposal.
- Wills, trusts, and estate planning documents are acceptable, but a separate gift agreement or confirmation form is recommended.
- Internal fund memoranda are used for fundraising initiatives without a lead donor (e.g., class gifts, crowdfunding).
- An identical gift agreement draft must be approved by the Chief Advancement Officer before any signatures are obtained.
- Gift agreement signing authority is designated to the President and the Secretary, Board of Trustees.
- Two original copies of the gift agreement are prepared for signing: one for the donor and one for the University. Electronic copies are also acceptable for the University's records.
- The University's copy of the gift agreement is stored securely by the Office of Advancement & External Engagement.

# Gifts from Faculty and Staff

- The University welcomes gifts from faculty and staff.
- To comply with IRS regulations, donors cannot personally benefit from or control the use of their gifts.
- Faculty and staff cannot designate gifts to funds that:
  - Support their salary.
  - Pay for their consumer goods.
  - Pay for their professional activities or travel.
  - Provide scholarship or fellowship assistance to themselves or a close relative.

## Anonymous Gifts

- As a general rule, Hampton does not accept anonymous gifts.
- However, a donor's record may be marked anonymous upon approval of the Chief Advancement Officer.
- Anonymity might be granted to protect the donor's privacy, but the donor's identity is known to University leadership.
- A gift may be marked temporarily anonymous until it is publicly announced or recognized.

## Gift Processing and Reporting

This section details the standardized procedures for recording, acknowledging, and reporting all philanthropic contributions to Hampton University, ensuring accuracy, compliance, and transparent donor stewardship.

GIFT ENTRY	GIFT ACCOUNTING
All philanthropic commitments to Hampton must be processed and credited through the Office of Advancement & External Engagement gift processing and data management system.	All charitable contributions to Hampton will be counted and recorded according to CASE standards.
The Office of Advancement & External Engagement will issue a written receipt to every donor.	Types of gift reporting include: Fiscal Year Cash and New Fundraising Commitments Reporting (reports on cash and new fundraising commitments for a specific fiscal year); Campaign Reporting (governed by a separate Board of Trustees-approved policy during campaigns); and Gift Recognition Reporting (reports on donor impact beyond the charitable contribution deduction).
Gift receipts will be prepared according to IRS requirements.	Financial accounting and reporting of gifts differ from Advancement reporting.
No other University department should issue a gift receipt.	Advancement reporting tracks all outright gifts, pledges, and planned gifts.
Gift Administration must have the following information to record a gift and issue a receipt: Donor's name and address; Gift date; Description of the gift property; Statement of donor intent.	The intent of Advancement reporting is to reflect the total impact of fundraising efforts.
Gifts of certain types and levels will also be acknowledged with thank-you communications.	
The University does not record unreimbursed expenses incurred by volunteers as gifts.	
The Office of Advancement & External Engagement will provide a letter acknowledging a volunteer's role and potential tax-deductible expenses.	



# Endowed Funds

This section outlines the process for establishing and managing endowed funds, emphasizing their perpetual support, funding requirements, and the University's commitment to donor intent and prudent stewardship.

## Establishing and Funding Endowments

- Endowed funds provide perpetual support to a designated area.
- To establish an endowed fund, a gift must meet the funding minimum set by the Board of Trustees. (Note: A quick search reveals Hampton University's minimum for an endowed scholarship is currently \$50,000, payable over five years.)
- A named endowment fund may be established over a maximum of five years with a pledge payment, subject to Chief Advancement Officer approval and a donor-specified payment schedule.
- A named endowment fund can also be established through an irrevocable donor agreement using a planned gift.
- No funds will be accepted for programs or activities without academic and administrative approvals.

## Management and Stewardship of Endowed Funds

- If a donor cannot meet the minimum gift levels within five years, the funds may be reallocated according to the donor agreement.
- Endowment gifts below the threshold will be added to general endowments with comparable use restrictions.
- Advancement staff must document the use restrictions associated with each gift to ensure funds remain useful over time.
- If endowment funds cannot be used as originally designated, the Board of Trustees has the authority to use them for a purpose that best aligns with the donor's intent.
- The University aims to balance: Maintaining principal balances; Prudent use of investment earnings; and Stewardship and preservation of the University.

# Specific Types of Gift Assets

## Cash Gifts



- Outright cash gifts can be made via checks, credit cards, wire transfers, or payroll deductions.
- Cash gifts are credited at their actual cash value.
- Cash gifts are complete upon physical transfer to a University representative and are reported on the date processed.
- Gifts of foreign currency are valued at the U.S. dollar equivalent on the date of receipt.
- Recurring credit card payments can be set up online.

## Marketable Securities (Stocks and Bonds)



- The University's broker determines the gift value using the average of the high and low trading price on the gift date.
- Marketable securities are typically sold promptly.
- The Chief Advancement Officer, in consultation with the Chief Financial Officer, must approve any donor request to hold marketable securities.
- Marketable security gifts are sold quickly to minimize gains or losses.
- Gift receipts reflect the share value on the gift date and a description of the securities.
- Gifts of mutual fund shares are acceptable, with the gift date determined by the date of receipt.
- Excess funds from stock gifts used to pay off documented commitments are allocated to the same purpose as an outright gift.

## Virtual Currencies



- The University may accept gifts of virtual currencies, subject to conditions.
- Potential gifts of virtual currencies are evaluated on a case-by-case basis.
- The donor must confirm ownership and that the currency was not derived from unlawful sources.
- The gift is complete once the currency is successfully paid to and accepted by the University's designated currency processor.
- Gift acknowledgments for virtual currency do not state the value of the gift.

# Real Property



- The University may accept gifts of real property, under specific conditions.
- Gifts of real property must be free of encumbrance and have no overdue carrying costs.
- These gifts require careful advance review and approval by specified University officials.
- The University will determine if the gift furthers its educational purpose and/or is readily marketable.
- Donors are generally responsible for expenses related to protecting their interests in the gift (e.g., appraisal) and the University's due diligence.
- The University may choose to cover due diligence costs in certain cases, with specific approvals.
- Proceeds from the sale of real estate may be used to reimburse due diligence expenses, if not precluded by the gift agreement.
- The University may decline a gift of real estate if deemed unfeasible, based on factors determined through due diligence.
- Gifts of real property with a retained life interest are accepted under specific conditions, with the donor typically responsible for ongoing property expenses.
- In limited circumstances, the University may engage in a bargain sale, where it purchases property for less than its fair market value, resulting in a gift.

## Gifts of Tangible and Intangible Personal Property (Gifts-in-Kind)



- The University may accept gifts of various types of tangible (e.g., art, equipment) and intangible (e.g., software, royalties) personal property.
- Proper documentation from the donor is required, including acknowledgment of the gift, description, and valuation information.
- The Office of Advancement & External Engagement determines if the gift meets IRS regulations for tax deductibility.
- Gift acknowledgments for personal property do not show the property's value.
- The donor is responsible for determining the gift's value for tax purposes.
- Gifts of artwork and software have additional specific procedures.
- The University's legal counsel is consulted for gifts of intellectual property.
- The University must comply with IRS reporting requirements for the disposal of certain gifted property.

## Employer-sponsored Matching Gifts



- Matching gifts from companies or foundations are accepted.
- Matching gifts are credited to the same account as the original gift, unless restricted.
- Matching gifts cannot be applied to an individual's personal pledge.



## Donor Advised Funds



- Gifts from donor-advised funds are accepted.
- The individual who recommended the gift does not receive a gift receipt, but their giving record is softly credited.

## Planned Gifts



- These gifts can be revocable or irrevocable.
- Types include:
- Charitable Gift Annuities: Gifts of cash or securities for fixed lifetime payments.
- Charitable Remainder Trusts: Trusts providing payments to beneficiaries for a set period, with the remainder to the University.
- Charitable Lead Trusts: Trusts providing payments to the University for a set period, with the remainder to beneficiaries.
- Life Insurance: Designating the University as beneficiary and owner of a policy.
- Bequest Intentions: Gifts through a will or trust.
- Policies exist for counting bequest intentions.

# Special Circumstances & Exceptions

Any special circumstances or requests for exceptions must be referred to the Chief Advancement Officer, who will determine the course of action, potentially in consultation with other University officials.



**Important Notice:** These policies are subject to change and should not be considered a substitute for professional legal, financial, or tax advice.

## Office of Advancement

<i>Division</i>	<i>Phone</i>	<i>Email</i>
Chief Advancement Officer	757-727-5356	<a href="mailto:marc.newman@hamptonu.edu">marc.newman@hamptonu.edu</a>
External Engagement	757-727-5002	<a href="mailto:evelyn.graham@hamptonu.edu">evelyn.graham@hamptonu.edu</a>
Donor Relations	757-637-3129	<a href="mailto:gary.hunter@hamptonu.edu">gary.hunter@hamptonu.edu</a>
Corporate & Foundation Relations	757-728-6177	<a href="mailto:andrea.tatum@hamptonu.edu">andrea.tatum@hamptonu.edu</a>
Advancement Services	757-727-5327	<a href="mailto:trina.locke@hamptonu.edu">trina.locke@hamptonu.edu</a>
Alumni Affairs, Annual Fund & Family Engagement	757-727-5717	<a href="mailto:matthew.white@hamptonu.edu">matthew.white@hamptonu.edu</a>
Planned Giving	757-727-5286	<a href="mailto:susan.perkins@hamptonu.edu">susan.perkins@hamptonu.edu</a>
Grants	757-727-5356	<a href="mailto:elvin.dowlingcanady@hamptonu.edu">elvin.dowlingcanady@hamptonu.edu</a>

## Policy Review

This policy shall be reviewed and updated periodically to ensure compliance with best practices and University policies.

## Disclaimer

Hampton University reserves the right to modify, amend, or revoke these policies, guidelines, and procedures at its sole discretion, at any time, and without prior notice. While every effort has been made to ensure the accuracy and completeness of this document, it is intended for informational purposes only and does not constitute a contract or binding agreement. The University retains ultimate authority over all matters related to gifts, endowments, planned giving, scholarships, naming opportunities, and all other fundraising activities. Donors and prospective donors are encouraged to consult with their own legal, financial, and tax advisors regarding their charitable contributions.