



UNIVERSITY POLICY

Section: 40.2.13

Section Title: Financial Management (Budget, Fiscal, Risk, Travel, & Internal Audit): Fiscal Management

Policy Name: Donor Gift Policy

Formerly Book: n/a

Approval Authority: Board of Governors

Responsible Executive: Executive Vice President – Chief Financial Officer and University Treasurer

Responsible Office: University Controller's Office

Adopted: 04/02/2012

Reviewed: 04/12/2022

Revised: 10/10/2013; 06/12/2018; 12/17/2020; 04/12/2022

Contact: finance_helpcenter@finance.rutgers.edu

1. Policy Statement

The University has designated responsibility to the Rutgers University Foundation for soliciting and administering all gifts from individuals, as well as gifts to the University's endowment. The Rutgers University Foundation is also responsible for the recording of all gifts and private grants received from corporations and foundations. Gifts and donations are voluntary and irrevocable transfers of money or property made by a donor without expectation of, or receipt of, direct economic benefit or any other tangible compensation from the donor. All funds acquired according to the terms of this definition must be deposited with the Rutgers University Foundation so that the donor can receive the appropriate acknowledgement and tax receipt.

2. Reason for Policy

To provide guidance to faculty and staff concerning the depositing, recording, and acknowledgment of all charitable gifts received on behalf of Rutgers University.

To recognize the substantial increase in the need for private funds to support University priorities and the resulting demand on fundraising efforts.

3. Who Should Read This Policy

All members of the Rutgers University community.

All policies are subject to amendment. Please refer to the Rutgers University Policy Library website (policies.rutgers.edu) for the official, most recent version.

4. Resources

Rutgers University Foundation Gift Policy Manual

Rutgers University Foundation Guideline for Gift Acceptance

All standard Rutgers University Foundation fund agreement templates

University Finance and Administration: <https://finance.rutgers.edu/>

Rutgers University Foundation: <https://support.rutgers.edu>

5. Definitions

Gifts and donations are voluntary and irrevocable transfers of money or property made by a donor without expectation of, or receipt of, economic benefit or any other tangible compensation to the donor.

Gifts can be for either restricted or unrestricted use for which the University makes no commitment of resources or services, other than, possibly, committing to use the gift as the donor specifies.

Private grants are contributions received from corporations, foundations or other organizations that can be designated for either restricted or unrestricted use. These contributions may be received in response to a grant proposal, but can also be secured without a proposal.

Funding received from governmental sources are not counted as gifts or private grants.

6. The Policy

A. Role of Rutgers University Foundation

The University recognizes the critical importance of philanthropic contributions to the continued existence and excellence of Rutgers, The State University of New Jersey. The University has empowered the Rutgers University Foundation (“Foundation”) to assist the University in obtaining private gift support and other resources to meet the needs of the University. As such, the Foundation is responsible to ensure that gifts from private external sources:

- are appropriate to the mission of the University;
- do not carry restrictions or conditions that may compromise the University at any time, now or in the future;
- are legal;
- are from donors whose intents are charitable; and
- are administered to protect donors’ rights and wishes.

To ensure that contributions comply with University and governmental regulations, all fundraising activities on behalf of the University should be coordinated with the Foundation.

The Foundation is also responsible for acknowledging all gifts and private grants on behalf of the University. Any non-sponsored gifts received directly by a University department should be forwarded to the Rutgers University Foundation with all documentation received from the donor that identifies the donor and the purpose of the gift. For the purpose of acknowledging a gift, the University Controller's Office ("UCO") and Research Financial Services ("RFS") will notify the Foundation of any gifts deposited directly by the University.

For information about various methods of giving, types of gifts and other fundraising opportunities, contact the Rutgers University Foundation.

B. Legal Issues

The University cannot accept gifts that involve unlawful discrimination based upon race, religion, sex, age, national origin, color, handicap, or any other basis prohibited by federal, State, and local laws, and regulations. The University also cannot accept gifts which obligate it to violate any other applicable law or regulation or which violate the charter or mission of the University.

The University will not accept gifts directed to or for the use or benefit of particular named individuals. These gifts are considered by the Internal Revenue Service as private benefit and not qualifying for the charitable contribution deduction. Gifts that cannot be accepted include contributions for financial aid to a specific student, contributions to provide compensation or other direct benefit to a faculty or staff member, and contributions to an account over which the donor has expenditure control.

The University and the Foundation will adhere to federal law, the Internal Revenue Service Code and its regulations, and State of New Jersey statutes relating to charitable organizations and not-for-profit corporations, particularly the Uniform Prudent Management of Institutional Funds Act.

C. Purpose and Use of Gifts

The University is responsible for ensuring that contributions are used for the purpose(s) designated by the donor. It is, therefore, important for this purpose to be clearly identified at the time the gift is made. No staff member or representative of the University or the Foundation is authorized to commit to an agreement that is contrary to the University's mission and established policies and procedures or that compromises the ability of University departments and personnel to carry out their assigned responsibilities. The Foundation can assist in working with the donor to clearly establish the intent of the gift.

Endowed gifts must be clearly identified by the donor that the gift is for endowment, in perpetuity or other words that indicate the donor's intent that the gift be permanently retained by the University. These gifts will be invested in the University's endowment pool. These funds are invested in accordance with policies established by the Joint Committee on Investments of the Board of Governors and the Board of Trustees. Income on these funds is allocated annually to each account based on the University's spending rate at that time. Under special circumstances, the University may accept gifts that are to be held or invested in some other manner as approved by the Executive Vice President –Chief Financial Officer ("EVP-CFO").

To ensure proper use of the funds, any donations or fundraising activities for specific purposes must be recorded in a distinct University account. Departments must request an account from the UCO by submitting the proper new account documentation. Once the account has been established, the UCO will coordinate with the Foundation to transfer all Foundation held funds to the new account.

D. Gifts of Property

The University and the Foundation will accept gifts of property, including tangible personal property, intangible personal property, and real property.

1. Tangible personal property is any property, other than land or buildings that can be seen or touched such as furniture, books, jewelry, gems, artwork, watercraft, aircraft, and motor vehicles. Livestock, harvested crops, cut timber, and other agricultural products as well as items of business inventory or equipment fall under this category.

Note: Gifts of works of art must be made with the knowledge and/or involvement of The Jane Voorhees Zimmerli Art Museum at Rutgers in New Brunswick or the Stedman Gallery at Rutgers–Camden Center for the Arts.

2. Examples of intangible personal property include patents, copyrights, royalties, installment obligations, insurance and annuity contracts, partnership interests, checks, securities, cryptocurrency, and other negotiable instruments. Currency is not considered intangible property unless it has numismatic value as a collectible.

Gifts of intangible personal property must be readily marketable and be needed by the University for use in a manner which is related to the purposes for which its tax-exempt status was granted. This type of gift must also promote its tax-exempt purpose.

3. Real property is any property that is attached directly to land, as well as the land itself. Real property not only includes buildings and other structures, but also rights and interests. Gifts of real property must be approved by the EVP–CFO in consultation with the Office of the Senior Vice President and General Counsel with the advice of the Gift Acceptance Committee of the Rutgers University Foundation.

E. Assistance

- A. Questions regarding this policy may be directed to the University Controller’s Office at 848-445-7449 or finance_helpcenter@finance.rutgers.edu.
- B. Questions regarding this policy may be directed to University Finance and Administration at (848) 932-2483 or budget@finance.rutgers.edu.
- C. Questions regarding grant applications may be directed to Research and Sponsored Programs at sponpgms@orsp.rutgers.edu.
- D. Questions regarding gifts may be directed to the Office of the Chief Financial Officer of the Rutgers University Foundation at 848-932-7777 or rufoundation@ruf.rutgers.edu.

F. Applicability and Authority

The Board of Governors of Rutgers, The State University of New Jersey, has approved this Policy and delegates responsibility for its administration and adherence to the Executive Vice

President – Chief Financial Officer (“EVP–CFO”) and to the Executive Vice President for Development and Alumni Engagement and President of the Rutgers University Foundation. Periodic review and revision of the Policy or other administrative changes are subject to approval by the University Board of Governors.