

## 10.2.4 GIFT ACCEPTANCE POLICY

---

**Policy Number and Name:** 10.2.4 Gift Acceptance Policy  
**Approval Authority:** Board of Trustees  
**Responsible Executives:** Vice President for Development and Chief Financial Officer  
**Responsible Offices:** Division of Development and Division of Finance  
**Effective Date:** May 22, 2018

<b><u>TABLE OF CONTENTS</u></b>	<b><u>Page</u></b>
I. Overview . . . . .	3
A. Policy Statement . . . . .	3
B. Administration of Gifts . . . . .	3
C. Gift Advisory Committee . . . . .	4
D. Questions about the Gift Acceptance Policy . . . . .	4
II. Ways of Giving . . . . .	5
A. Outright . . . . .	5
B. Pledges . . . . .	5
C. Deferred and Planned Gifts . . . . .	5
D. Via Third Party Entities . . . . .	6
E. Matching Gifts . . . . .	6
III. Forms of Giving . . . . .	7
A. Cash Transactions . . . . .	7
B. Publicly Traded Securities . . . . .	7
C. Illiquid Business Interests . . . . .	8
D. Real Estate . . . . .	8
E. Tangible Personal Property . . . . .	9
F. Intangible Property . . . . .	9
IV. Accepting New Gifts and Pledge Commitments . . . . .	10
A. Accepting Gifts . . . . .	10
B. Pledge Commitments . . . . .	13
V. Reporting Gifts and Campaign Counting Policy . . . . .	13
A. Gift Counting Standards . . . . .	13
B. Gift Counting and Accounting . . . . .	13
VI. Endowed Funds . . . . .	14

VII.	Naming Opportunities .....	15
A.	Naming .....	16
B.	Funding .....	17
C.	Renaming .....	21
VIII.	Responsibilities to Donors and Donor Recognition .....	21
A.	General Policy .....	21
B.	Donor Recognition .....	22
IX.	Special Situations .....	22
A.	Declining Gifts .....	22
B.	Receiving Gifts from Faculty and Staff .....	23
C.	Institutional Conflicts of Interest .....	23
X.	Donor Bill of Rights .....	23

## **I. Overview**

### **A. Policy Statement**

The Trustees of the Stevens Institute of Technology (“Stevens” or the “university”) appreciates and depends upon the generosity of alumni, friends, corporations, foundations, and other grant-making organizations to support its mission, programs, and projects. Stevens is a non-profit organization with tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, granted in recognition of its charitable mission of providing education and conducting research.

Stevens strives to ensure that gifts are in support of its mission and enhance the university’s standing and ability to conduct teaching, research, and service at the highest levels. Any requirements and restrictions associated with a gift must be acceptable to the university, and all gifts are to be in amounts appropriate to carry out their specified uses. All contributed funds will be credited to the correct account, promptly deposited, and properly and appropriately acknowledged, receipted, and used in accordance with donor stipulations.

Applicability of this Policy:                      This Policy applies to gifts solicited and received by the university

Who should read this Policy:                      All staff in the Division of Development & Alumni Engagement  
Senior administrators  
School, college, division, and department administrators  
School, college and unit business officers  
Faculty and staff soliciting or accepting gifts  
Volunteers

### **B. Administration of Gifts**

The Division of Development & Alumni Engagement (heretofore referred to as “Development”) is solely responsible for the coordination of solicitations and the acceptance of gifts in compliance with this Policy. Development will work with all campus units, volunteers, and volunteer organizations to ensure compliance with this Policy and with all procedures adopted by Development to implement this Policy. All gifts to the university are to be directly accepted and administered by Development, unless a different protocol is explicitly agreed to by Development.

Upon accepting and processing a gift, Development will deposit the gift through Stevens' Division of Finance for the purpose(s) specified by the donor and send a gift receipt and acknowledgement to the donor in a timely manner.

Stevens administers the acceptance of gifts and the terms on which gifts are accepted and all other matters relating to charitable giving through its governance structure. Except as expressly required by this Policy, decisions are made by the senior leadership of Stevens. Depending upon the issues at hand, decision-making includes the President, the Vice President for Development & Alumni Engagement, the Chief Financial Officer, the General Counsel, and others as appropriate.

### **C. Gift Advisory Committee**

The gift acceptance process and related decision-making is informed by consultation with the Gift Advisory Committee. The Gift Advisory Committee is an advisory body composed of permanent members (the Vice President for Development & Alumni Engagement, the Chief Financial Officer or their designee, the General Counsel or their designee), and in addition, an academic leader (dean, associate dean), a member of the Faculty Senate, and a member of the Student Government Association selected by the permanent members of the committee for a fixed term of service and approved by the President. The Vice President for Development & Alumni Engagement serves as the chair of the committee. The committee will periodically review Stevens' policies and procedures relating to charitable giving and make recommendations to the university's senior leadership.

This Policy may be amended upon approval by the President's Cabinet and the Board of Trustees.

### **D. Questions about the Gift Acceptance Policy**

Questions about the Gift Acceptance Policy may be directed to the university's chief development officer (current title: Vice President for Development & Alumni Engagement).

Vice President for Development & Alumni Engagement ("VP for Development")  
Howe Center  
Stevens Institute of Technology  
1 Castle Point Terrace  
Hoboken, NJ 07030  
201-216-5209

## **II. Ways of Giving**

Individuals, corporations, foundations, and other charitable organizations may make gifts in the following ways:

### **A. Outright**

An outright gift is the irrevocable transfer of money or property with no rights reserved by the donor. Stevens records in the system used by the university to maintain records of gifts (currently, "Raiser's Edge," or "RE") the fair market value of the gift as of the date the transfer is complete, as further described below.

### **B. Pledges**

A pledge is a documented commitment to fulfill a gift in one or more payments over a specified period of time. A pledge may be made by an individual or on behalf of an organization by a person who is authorized to make such a commitment. Pursuant to IRS regulations, pledges entered into by individuals may not be paid with gifts from a donor advised fund, private foundation, or other third party organization. Development will work with donors who anticipate that Stevens may receive a gift from a donor advised fund, private foundation, or other third party organization to ensure compliance with IRS regulations.

### **C. Deferred and Planned Gifts**

Deferred and planned gifts include life income plans (see items (a) through (d) below, in the "During Life" section); retained life estates; charitable lead trusts; and bequests and gifts that act like bequests made pursuant to a will or revocable living trust, designation of a beneficiary to a life insurance policy or retirement account.

With the exception of bequests, gifts that act like bequests, and beneficiary designations made 'During Life', Development will accept and process all deferred and planned gifts after prior consultation with the university's Office of General Counsel.

#### **1. During Life**

The university may accept gifts in which it accepts title to a remainder interest in trust of assets in return for an obligation to pay income to the donor and/or other beneficiaries for their lives or a certain term pursuant to arrangements sponsored by the university. The university will not act as a trustee outside of these arrangements. The university's ability to use the gift is deferred until the income beneficiaries die or the term otherwise ends. These gifts may be in the form of (a) charitable remainder unitrusts, (b) charitable remainder annuity trusts, (c) charitable gift annuities, or (d) contributions to a pooled

income fund. Stevens records life income gifts in RE as the face value of the gift as well as the value of the remainder interest, in each case as determined under IRS regulations. These different values are used depending upon the circumstances: for example, the remainder value is included in the university's gifts totals reported to the Council for Aid to Education, but the face value is included in the university's public fundraising totals. Donors receive recognition credit for their gifts in trust at the face value of the gifts.

The university may receive a planned gift of property via a retained life estate whereby the donor has the right to occupy a residence for the duration of their life after which the university is free to use or sell the property.

The university may be a beneficiary of a charitable lead trust where the university's interest is in the form of a guaranteed annuity interest or a unitrust interest and the remainder is given to non-charitable beneficiaries.

## **2. At Death**

Stevens can accept gifts transferred pursuant to a will, revocable living trust, life insurance policy not owned by Stevens, retirement fund, or other estate planning instruments.

## **D. Via Third Party Entities**

Stevens can receive gifts from private foundations, donor-advised funds, community foundations, and private companies with or without the advice or direction of third-party friends. 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 that entity. In such a case, Stevens will also reflect in RE the name of the party who advised or directed the gift be made to the university and will provide them with recognition credit.

## **E. Matching Gifts**

Stevens receives gifts from donors which are matched by additional contributions from the employer of the donor. 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. Stevens will record the employer as the donor of a matching gift and issue a receipt to the employer. Stevens will also reflect in RE the name of the corresponding employee donor.

Matching gifts are not credited toward a donor's pledge. A donor's gift agreement should state clearly the amount they will personally give to the university. The agreement may also include the following statement "this gift will qualify for matching gifts in the amount of \$\_\_\_\_\_, bringing the total amount of gifting to \$\_\_\_\_\_." The matching support will be credited to the donor for recognition credit.

### **III. Forms of Giving**

#### **A. Cash Transactions**

All charitable gifts contributed in the form of cash, checks, money orders, electronic fund transfers, and credit and debit card transactions shall be received at face value and will be recorded, receipted, and acknowledged in accordance with this Policy, and current IRS and Financial Accounting Standards Board (FASB) regulations. The date on which a cash gift is made is determined by one of the following criteria, in this order as applicable: (1) the date of the postal or delivery service marking indicated on the mailing envelope containing the gift; (2) the date legal tender is received by Stevens by hand delivery or non-postmarked business reply mail; (3) the date electronically transferred funds are received into a Stevens account; or (4) the date a credit or debit card transaction is processed by or on behalf of Stevens.

#### **B. Publicly Traded Securities**

Stevens accepts donations of all publicly traded securities, which shall be valued, recorded, receipted, and acknowledged in accordance with current IRS regulations. All donated securities will be sold as soon as practicable by Stevens unless otherwise determined by the university's Chief Financial Officer.

Gifts of securities will be valued for gift recording purposes at the mean of the highest and lowest selling prices quoted for that stock (as reported by recognized public securities exchanges) on the date of the gift to Stevens. The date of the gift will be determined based upon one of the following criteria, in this order as applicable: (1) the date an electronic transfer of securities from a donor's account is received into a Stevens brokerage account, (2) the date of hand delivery of stock certificates fully signed and transferred to Stevens and accompanied by duly executed stock powers, or (3) the date of postal service marking indicated on the mailing envelope containing the stock certificates and stock powers (as described above).

Note: Both the stock power and the certificates must be received separately by Stevens before valuation can be determined. When the certificate(s) and the stock power are mailed separately, the latter postal service marking date will be used.

A gift of publicly traded securities will be acknowledged in writing by identifying the name(s) of the security and the actual number of shares given. The receipt will also provide the valuation

and source (e.g., MarketWatch) used to establish the value of the gift for counting purposes. For cases in which the donor donates securities in exchange for a life income trust or annuity, the securities are valued prior to documenting the gift in order to calculate income payments and the remainder value of the trust or residuum of the gift annuity.

### **C. Illiquid Business Interests**

Any gift of closely held or restricted securities, interests in sole proprietorships or general or limited partnership interests, S corporate stocks, REITS, or other illiquid business interests will raise legal and other issues and may only be accepted as a donation to Stevens after the performance of appropriate due diligence reviews. Any such proposed gift will require approval by the VP for Development, the Chief Financial Officer and the Office of General Counsel.

Any gifts of an illiquid business interest must be supported by a qualified independent appraisal, if required by the IRS, or by an objective third party who is knowledgeable about the interest, in each case performed by a person or entity who is acceptable to Stevens; the donor will be responsible for the cost of the appraisal. The gift will be valued based upon the appraisal (but no amount will be included in the Stevens' receipt issued to the donor), and will be acknowledged in writing by identifying the gift, including the name(s) of the shares or other interest and the actual number of shares or other interest given. For cases in which the donor donates illiquid business interests in exchange for a life income trust or annuity, a valuation will be made to calculate income payments and the remainder value of the trust or residuum of the gift annuity.

### **D. Real Estate**

Stevens will consider accepting gifts of real estate on a case-by-case basis and only following performance of appropriate due diligence reviews. The acceptance of a gift of real estate requires the approval of the Chief Financial Officer, the VP for Development and the Office of General Counsel.

Real estate can be given outright, through a bargain sale arrangement, retained life estate, or for the purpose of funding a life income charitable giving arrangement. A representative of Development will review with a potential donor the university's real estate acceptance procedures in existence at the time.

Any gift of real estate must be supported by a qualified independent appraisal performed by a person or entity who is acceptable to Stevens; the donor will be responsible for the cost of the appraisal. The gift will be valued based upon the appraisal (but no amount will be included in



the Stevens' receipt issued to the donor), and will be acknowledged in writing by identifying the gift.

All gifts of real estate will be handled in accordance with Stevens' procedures on receiving gifts of real estate. A representative of Development will review the university's real estate acceptance procedure with the prospective donor.

For cases in which the donor donates real estate in exchange for a life income trust or annuity, a valuation will be made to calculate income payments and the remainder value of the trust or residuum of the gift annuity.

### **E. Tangible Personal Property**

Gifts of tangible personal property (sometimes referred to as "gifts-in-kind") with a value in excess of \$50,000 may be accepted with the approval of the Chief Financial Officer. Gifts-in-kind valued under \$50,000 may be accepted with the approval of an appropriate dean or officer of the university. Gifts of equipment must be approved by the Office of Environmental Health & Safety and the Office of General Counsel after appropriate due diligence reviews. Gifts of antiquities, art or historic artifacts must be approved by the Library. Stevens will accept gifts of tangible property only if the property has educational, historical or other tangible value to the university, or may be readily liquidated to produce cash. All gifts of personal property received by Stevens will be recorded and acknowledged by Development.

Any gifts of tangible personal property must be supported by a qualified independent appraisal, if required by the IRS, or by an objective third party who is knowledgeable about the interest, in each case performed by a person or entity who is acceptable to Stevens; the donor will be responsible for the cost of the appraisal. The gift will be valued based upon the appraisal (but no amount will be included in the Stevens' receipt issued to the donor), and will be acknowledged in writing by identifying the gift.

If Stevens is required to sign IRS Form 8283 regarding the receipt of tangible personal property, the Division of Finance is authorized to execute the document in accordance with IRS regulations. If Stevens is required to file Form 8282 regarding the sale of donated property, the Division of Finance is responsible for preparing the form and the Chief Financial Officer will execute the form on behalf of the university.

### **F. Intangible Property**

Intangible property is property that has no intrinsic value but is merely representative or evidence of value. Securities and business interests are considered intangible property and are

covered in sections B and C above. Other examples of intangible property include copyrights, right to receive royalties, patents, services, and software licenses. Because acceptance of certain intangible property gifts will raise legal and other issues, they may only be accepted as a donation to Stevens after the performance of appropriate due diligence reviews. Any such proposed gift will require approval by the VP for Development, the Chief Financial Officer and the Office of General Counsel.

In addition, IRS partial interest rules frequently come into play with respect to transfers of intangible assets which may negate the charitable nature of the gift. In some circumstances the University may agree to accept shared-interest donations of Intangible Property (software is a common example). These gifts may be counted for recognition purposes for the campaign as long as a reasonable fair-market-value can be established and documented. (See section V.B.2 for additional information about Gifts of Information Technology.)

#### **IV. Accepting New Gifts and Pledge Commitments**

##### **A. Accepting Gifts**

###### **1. Accepting and Administering Gifts**

A gift or contribution is an unconditional transfer of cash or other assets to the university, or a cancellation of a liability of the university, in each case with the expectation of receiving nothing (other than donor recognition or a token of appreciation) in return.

Development will receive and officially accept all gifts to Stevens. Upon receipt of a contribution, the terms, restrictions and conditions of the gift will be recorded. Development will deposit the gift through the university's Division of Finance to the designation(s) specified by the donor and send an acknowledgment of the gift, a message of gratitude and a receipt which complies with IRS regulations to the donor, in each case in a timely manner. Pledges of contributions will be recorded, and Development will maintain a pledge payment reminder system.

Gifts should be in amounts appropriate to the specified uses and consistent with the university's mission and objectives. Gifts should not be directed to purposes that are so restricted that effective use or administration – either immediately or over time – will be problematic.

Stevens adheres to a nondiscrimination policy which prohibits any form of discrimination in university actions and activities, including without limitation the

acceptance or administration of a gift; the policy prohibits discrimination on the basis of race, religion, color, national origin, ancestry, age, sex, sexual orientation, gender identity or expression, disability, marital status, civil union status, military service or veteran status, or any other basis prohibited by law.

Gifts requiring a commitment by Stevens to spend university funds, either upon receipt or in the future, in addition to amounts donated or pledged, must receive prior approval from the President, and under certain circumstances, the Board of Trustees. Examples of such gifts include:

- Matching funds by the university;
- A commitment to continue a project after termination or exhaustion of the gift;
- Financing of construction projects;
- A commitment to finance and/or administer an undertaking outside the routine functioning of the university or any part thereof;
- An allocation or other specific treatment of investment returns (e.g., accruing of income to apply to the gift objective); and
- Gifts to fund positions not covered by an existing university budget (e.g. a chair).

The following transfers do *not* constitute gifts.

- Any “grant” that involves contractual obligations of the university to perform services or deliver products to the grantor, as defined by policy 80.16 (<https://www.stevens.edu/about-stevens/university-policy-library/sponsored-programs>);
- Federal, state, and city government grants;
- A transfer for the benefit of a specific individual (e.g., money to pay the tuition, salary, expenses, etc., of a specific individual);
- Investment income on previous gifts to Stevens (e.g., dividends, royalties, rental income from a previously gifted property);
- Interest income earned on gift funds invested by Stevens;
- Appraisal fees or other administrative expenses paid by donors in relation to their gifts;
- Payment for goods and services;
- A contribution to an entity that is not legally part of Stevens; and
- The right to use an individual’s property, such as a vacation home, office space, or equipment.

Stevens is obligated under law to administer and direct the application of all gifts to the fulfillment of Stevens' charitable mission to undertake education and research. Direct donor involvement in the administration of a gift is prohibited. The convening of an advisory committee or other body in connection with a gift may be permitted in rare instances but is discouraged. If an advisory board is required as a condition of a gift, Stevens must appoint the members and otherwise have control over the use of the gift and all programs supported by the gift.

## **2. Due Diligence**

Stevens has established this Policy to ensure fidelity to donor intent, manage expectations about how a gift will be used, ensure that all gifts meet university needs, and safeguard the university's reputation.

For all gifts, first-hand knowledge of potential donors along with, when necessary, documentation of their backgrounds provides the basis for understanding whether acceptance of a gift is appropriate, and sets the stage for a thorough, fact-based analysis and evaluation. In any instance in which a donor's name will be used to name a facility, program or other asset, particular care should be taken in conducting due diligence.

In thinking about acceptance of a gift, a gift officer should consider the following:

- The historic and current reputation of the prospective donor;
- The current and future needs of the university;
- The core values of the university and the ways in which the gift and any name attached to a supported facility, program or asset will further such values; and
- Perceived, potential, or real conflicts of interest.

If a staff member involved in the solicitation of a gift has any concerns, they are expected to alert the VP of Development before proceeding with a gift in order to allow for an appropriate review of the facts and circumstances. In certain situations, this review may prompt additional due diligence measures. In such instances, it is expected that all diligence measures will be concluded to the satisfaction of the university before the gift is accepted. In addition, any or all of the following actions may be undertaken to ascertain the appropriateness of accepting a gift:

- Inquiries of Stevens' trusted volunteers, alumni, and friends;
- Review by the Office of General Counsel; and/or
- Formal or informal review of a proposed gift by the Gift Advisory Committee.

## **B. Pledge Commitments**

All multi-year pledges of \$10,000 or more are recorded when substantiated in writing via a university-approved gift agreement signed by both the university and the donor. The legally binding agreement must include the amount of the gift and a schedule of pledge payments, as well as any designation of the gift indicating whether there are specific preferences and restrictions on the use of the funds.

Pledge payment schedules of five years or less are preferred. Pledge payment schedules of greater than five years for gifts to be paid at the rate of \$50,000 per year or greater require review and approval by the VP for Development in consultation with the President.

## **V. Reporting Gifts and Campaign Counting Policy**

### **A. Gift Counting Standards**

The standards of accounting established under the FASB and the reporting requirements established by the Council for the Advancement and Support of Education (CASE) and the National Association of College and University Business Officers (NACUBO) as printed in *CASE Management Reporting Standards – Standards for Annual Giving and Campaigns in Educational Fundraising*, shall govern the management and reporting of gifts to the university.

Grants supporting sponsored activities, which meet the conditions of a gift, as determined by agreement between the VP for Development and the Chief Financial Officer, will be reported as contributions by Development. See policy 80.16 (<https://www.stevens.edu/about-stevens/university-policy-library/sponsored-programs>).

### **B. Gift Counting and Accounting**

The university will accept and record written pledges in accordance with generally accepted accounting principles, i.e., Financial Accounting Standards Board (FASB).

Gifts are generally counted at the time a signed pledge agreement is received or at the time an outright gift is made. Matching gifts are counted at the time of payment. Gifts-in-kind are counted when all documentation requirements have been met, and Stevens has taken possession of the gift.

Most notably in the case of a bequest provision included in a will, Development may choose to recognize (i.e., include in the Power of Stevens campaign totals) commitments that are not

recorded (i.e., counted) formally in the Stevens financial system and statements. This is common practice in higher education.

Stevens will, as a general matter, follow the standards established by CASE in counting gifts for purposes of a campaign.

### **1. Counting Bequest Intentions and Other Revocable Gifts**

Development will count bequest provisions and other revocable planned gifts from donors who will turn age 70 (and in the case of a second-to-die provision, whose spouse will turn 65) during the course of the Power of Stevens Campaign. Exceptions to this minimum age rule must be approved by the Gift Advisory Committee in cases when special circumstances exist.

### **2. Gifts of Information Technology**

Gifts of information technology (e.g., software, and other forms of intellectual property) may be counted for purposes of the campaign. Stevens will determine the value of such gifts by calculating the market value of such information technology for a university purchaser or licensee minus any discounts normally offered to universities by the manufacturer or licensor. Donations of information technology which have a potential value in excess of \$150,000 or raise non-standard issues must be approved by the Gift Advisory Committee prior to acceptance.

## **VI. Endowed Funds**

Stevens' endowment investments are overseen with prudence and care by the Board of Trustees, whose Investment Committee is composed of trustees, and faculty participants, with knowledge of finance and investing. The goal of the Investment Committee is to manage the endowment to support the university's strategic plan and ensure that the endowment benefits both current and future generations.

Together with the Board of Trustees, the Investment Committee is responsible for oversight of the endowment and strategic decision-making including: asset allocation, spending policy, performance analysis and fee review. Using an Outsourced Chief Investment Officer, the portfolio is managed with the long-term objective of producing real growth in excess of the spending policy and inflation, with a specific, prudently determined level of risk. Investments are well diversified across investment managers, asset classes, geographies and time horizons. The endowment is broadly diversified into equities, fixed income and alternative investments, including private equity, hedge funds and real estate.

All endowment funds are recorded within the university's general ledger, which is structured to track the many individual named funds (e.g., Class of 1970 Scholarship, the John Smith Endowed Chair). Generally, endowment funds are part of a consolidated investment pool, in which each of the individual endowment funds, or accounts, "owns" a percentage of the total pool of investments and receives its allocable share of investment returns based on a unitization methodology. Investment returns are allocated monthly, beginning the month after the gift is received by the university.

The university follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted in the State of New Jersey. Investment and decisions as to use of endowment funds must be made in the context of the endowment as a whole and as part of an overall strategy with risk and return objectives suited to Stevens and must consider:

- Economic conditions
- Inflation/deflation
- Tax consequences
- Role of the investment or action in overall portfolio and strategy
- Expected total return
- Appreciation of investments
- Other resources of Stevens
- Needs of Stevens to make distributions and to preserve capital
- Special relationship of an asset to Stevens or its charitable purposes

In consideration of these factors, the university's Board of Trustees determines an annual "spending rate" based on a three year rolling average of the endowment's value. Stevens' goal is for the endowment to appreciate and keep pace with inflation with annual spending from the endowment supporting the purposes of endowed funds at a prudent level.

Spending distributions from the endowment which are restricted to a specific purpose or activity are allocated to accounts specifically identified for that restricted purpose. Similarly, expenses associated with the restricted purpose are charged to the relevant account established.

## **VII. Naming Opportunities**

From time to time, Stevens will associate the name of a donor or other honored or memorialized person or entity with a particular building, physical space, or other opportunity such as a professorship, scholarship, department, or academic program. The university is pleased to recognize the generosity of donors. Such recognition expresses the university's

gratitude in an enduring way and reinforces the importance of Stevens' mission and the value of the academic enterprise.

Naming recognition is bestowed after a deliberative process in accordance with this policy and with approval of appropriate university officials.

## **A. Naming**

### **1. Purpose of Naming; Forms of Naming**

Associating a name with a Stevens building, facility, program, faculty or other position, or other asset will be carefully considered in accordance with the procedures set out in this policy before any agreement with a donor is reached.

Naming must serve the best interests of the university and be consistent with the core values of the university and its status as a tax-exempt charitable institution. This determination is conducted on a case-by-case basis and in light of circumstances known at the time based upon Stevens' strategic objectives and policies.

Naming recognition will be considered when such action is deemed consistent with the university's core values (see Stevens' Code of Ethics for a complete statement of the university's core values).

The university may provide naming recognition to corporations or other business entities that satisfy the above requirements. An academic facility, program, or activity may be assigned a corporate name after the VP for Development has conferred with the Provost to determine that such naming will advance the instructional, research, and/or service mission of the university. Once naming is approved, any business name will normally remain the same notwithstanding future changes in the name of the organization. Changes requested by the organization will be taken under consideration by the university.

Given the importance of naming gifts to the university and to donors, Development will review all circumstances surrounding a proposed significant naming gift and the donor/honoree to ensure that the requirements of this policy have been fully satisfied.

### **2. Approval of Naming**

Any significant naming opportunity (for example, buildings, chairs, centers, programs, departments, etc.) must be recommended by the Gift Advisory Committee and approved by the President, who may confer with the Chair of the Board to determine if review by the Board of Trustees or the Executive Committee of the Board is advisable.



When the donor is not well known to the university, the donor has unusual requirements, and/or unusual circumstances exist, the President will consult with the VP for Development, the Gift Advisory Committee, and the Chair of the Board.

Other naming opportunities (for example, scholarships, classrooms, student and faculty awards, etc.) may be approved by the VP for Development in consultation with the Gift Advisory Committee.

In addition to any necessary approvals, the VP for Development, the Gift Advisory Committee, the President and/or the Board of Trustees may determine that additional consultations with university constituencies are appropriate prior to granting any approval.

### 3. General Terms Applicable to All Naming Gifts

- a. Naming gifts may or may not be endowed.
- b. All naming gifts shall be reflected in a written agreement between a donor and Stevens. This policy and its terms, as amended from time to time, are and shall be incorporated into each such agreement and shall be mentioned in each agreement.
- c. A name will be attached to a building or facility for so long as the building or facility remains in existence and is owned and used by the university.
- d. Naming does not entitle the donor or named person or entity to determine the usage of donated funds or otherwise to any role in decision-making regarding the building, facility or program.

## **B. Funding**

1. The following types of philanthropy may be used to support a naming opportunity:
  - a. Gifts and pledges of cash and/or marketable securities (or other readily marketable assets approved by the university), provided that the schedule of payments does not exceed five (5) years. Notwithstanding this, it is the general policy of the university that a facility will be named for a donor only if contributions by or on behalf of the donor represent at least 30% of the funds necessary to cover the cost of construction or renovation. Stevens may determine to delay any naming until funding requirements have been met.

- b. Testamentary and deferred gifts (including gifts by will, trust, or designation of a retirement plan or life insurance policy) may be used alone or in combination with a gift or pledge to fund a naming opportunity, provided that (i) the testamentary portion of the total pledge is no more than 50% of the total gift, (ii) the net present value of the gift will meet the gift level required by this policy and (iii) the requirements of the project or program to be named are consistent with the gift schedule. Gifts made through an irrevocable deferred gift technique (including, but not limited to a charitable remainder trust, a pooled income fund, a charitable gift annuity, a deferred pledge agreement, or a contract to make a will) will generally not be accepted for the purpose of naming a new university facility for which contributions from private sources are needed to pay construction costs. Such a deferred gift, however, may support the naming of an existing facility if there is no current need of funds for renovating or expanding the structure.
- c. Irrevocable deferred gifts (including gift annuities and charitable remainder trusts) may be used to fund a naming opportunity as long as the net present value of the gift will meet then-current naming opportunity minimum funding requirements.

See the funding on page 19 for current minimum funding levels for naming opportunities.

## 2. Funding for Certain Types of Naming Opportunities

- a. Endowed Funds: An endowed fund is a permanent, self-sustaining source of funding for a designated purpose. Each year, a portion of the value of the fund, as determined by Stevens' Board of Trustees, is allocated to support the fund's purpose. An endowment may be funded with a combination of outright and deferred gifts as long as the total funding level meets the endowment minimum. Endowments establishing chairs and professorships must comply with Stevens' Endowed Chair Policy and will not be named and awarded until at least one-half of the pledged commitment is received by Stevens and invested in the endowment.
- b. Schools and Colleges: Schools and colleges are premium naming opportunities. Appropriate gift levels for the naming of the School of Business, the School of Systems and Enterprises, and the College of Arts and Letters will be determined by Stevens at the time of a proposed gift. Any such determination will be influenced by a review of naming gifts made in the last three to five years for schools and colleges of comparable size and stature at other universities and by the operating budget and strategic objectives of the Stevens school or college in question.

- c. Centers: Centers are defined as entities within Stevens with separate budgets and staff that fall under the auspices of a dean, a vice president or the provost. The establishment of a new center must be approved by Stevens independent of any naming or other gift.
  - d. Facilities: Naming opportunities for buildings and interior and exterior spaces will be determined on a case-by-case basis by Stevens. For new capital projects, a written gift naming plan will be created by the Division of Development including the naming of multiple spaces within a single facility. The plan will include the identification of the spaces to be named, the appropriate gift amounts to name various spaces, and how gift funds will be utilized when received.
  - e. Current Use (Term) Restricted Funds: A donor may establish a named, term fund designated to a specific purpose, such as a gift to a particular school or college, department or campus program. Current use funds will be made available in accordance with then-current budget policies. Due to their nature, these funds will exist for the period of time designated in the executed gift agreement. Gifts to term funds may be pledged over a five-year period.
3. Following are the minimum amounts required to establish a new named fund for the purposes identified below. Stevens reserves the right to adjust the required minimums. Any request to establish a named fund for a purpose not currently shown below must be approved by the VP for Development with advice from the Gift Advisory Committee.

Centers and Endowed Funds\*:

TYPE	MINIMUM FUNDING
<b><u>ACADEMICS</u></b>	
Academic Department	\$10 million
Academic Center	\$5 million
Academic Leadership Positions: Provost and Deans	\$5 million
Chair	\$2 million
Assistant Professorship/Visiting Professor/Professional in Residence	\$500,000
Faculty Development or Research Fund	\$500,000
<b><u>SCHOLARSHIPS</u></b>	
Graduate Fellowship	\$250,000

Undergraduate Research or Global Experiences Fund	\$150,000
Undergraduate Scholarship	\$100,000
Unrestricted Undergraduate Scholarship	\$50,000
<b><u>SPECIAL INTERESTS</u></b>	
Career Center	\$5 million
Athletic Directorship or Librarianship	\$2 million
Lectureship	\$500,000
Senior Project Fund	\$100,000
Library Special Collections Fund	\$100,000

Term Funds\*:

TYPE	MINIMUM FUNDING
<b><u>ACADEMICS</u></b>	
Provost's Special Initiatives Fund	\$100,000
Dean's Special Initiatives Fund	\$75,000
Term Professorship	\$75,000
Research Fund	\$50,000
<b><u>SCHOLARSHIPS</u></b>	
Graduate Fellowship	\$50,000
Undergraduate Scholarship	\$25,000
<b><u>SPECIAL INTERESTS</u></b>	
President's Special Initiatives Fund	\$100,000
Coaching Position	\$50,000
Undergraduate Cultural Passport	\$25,000

*\*Figures listed here represent funding minimums for naming opportunities. Additional information about naming gifts may be discussed with staff of the Division of Development and Alumni Engagement. Exceptions may be granted by the Vice President for Development, and in some cases by the Board of Trustees or the Executive Committee upon recommendation of the President.*

## **C. Renaming**

Donors play a critically important role in supporting the mission of the university. In the event that a significant negative change in circumstances relating to the donor or the name affixed to a Stevens' building, facility, program or asset occurs, Stevens reserves the right to consider whether removal of the name would be in the best interests of Stevens. Any decision to rename a building, facility, program or other asset will be made by the Board of Trustees on recommendation of the President. The university will approach any instance of potential renaming with transparency and meaningful governance, depending upon the circumstances, which may include seeking input from the relevant stakeholders constituting the Stevens community. Key decision-making factors considered include:

1. The impact of the naming gift for its contribution to, or conflict with, the university's strategic objective and/or core values;
2. The donor's actions and/or the means by which the donor earned the resources contributed; and
3. The best interests of the university and its reputation and well-being over the long term.

The Board may also consider additional facts, circumstances and matters which may exist and be relevant at the time. In the event that the Board approves renaming, the university shall be under no obligation to return any financial contributions previously made.

Notwithstanding the foregoing, Stevens reserves the right in its discretion to remove a name resulting from a gift in the event that the associated pledge of funds is not completed in full; such removal will not require the approval of the Board of Trustees.

## **VIII. Responsibilities to Donors and Donor Recognition**

### **A. General Policy**

Stevens highly values its donors. All Stevens officials will treat donors with the utmost respect and professionalism. The university will honor donors' wishes for designating the use of their gifts for any approved purpose, program, or project within the university. All donors will be acknowledged and thanked for their gifts in writing within a reasonable period of time (i.e., receipts are generally to be issued in two working days and a thank you letter sent within five working days).

All Stevens representatives will strive to be aware of and sensitive to a potential donor's interests. Stevens does not provide legal or tax advice to donors; donors are strongly encouraged to confer with independent legal and tax counsel.

Stevens will honor the request of donors who wish to remain anonymous.

All information that Stevens has gathered on its donors, prospective donors, alumni and friends will be held and maintained by the university in private and used only for Stevens' purposes unless required by applicable law or legal process.

## **B. Donor Recognition**

Stevens is pleased to celebrate and recognize individuals and organizations who support the university, and does so in a variety of ways. Donor recognition is scaled to the level and impact of a donor's contribution and adheres to the following principles:

1. Recognition must be welcomed and approved in advance by the donor. A donor's wish for anonymity or limited recognition will always be honored;
2. The recognition is fair and consistent with that provided to donors of gifts equivalent in amount and impact; and
3. Recognition is in accord with gift naming levels (see section VII above).

In addition to specific and individualized recognition, Stevens celebrates donors through a set of giving societies that honor annual, lifetime, legacy giving and consecutive years of giving.

## **IX. Special Situations**

### **A. Declining Gifts**

Gifts may be declined by Stevens under certain circumstances, including, but not limited to, the following:

- The gift is restricted and would require support from other resources that are unavailable, inadequate, or needed for other institutional purposes;
- The gift is restricted and would support a purpose or program peripheral to the university's strategic plan and related programs, or create or perpetuate programs or obligations which would dissipate resources or deflect energies from other programs or purposes;
- The gift would limit, or tend to limit, the academic freedom of the university or its faculty or students;
- The gift would injure the reputation or standing of the university, or generate such controversy as to substantially frustrate and defeat the educational purpose to be served; and

- The gift has administrative and reporting requirements stipulated by the donor that the university deems inappropriate, excessive, or administratively or financially burdensome.

Contact the VP for Development for questions or considerations regarding the terms of a particular gift.

## **B. Receiving Gifts from Faculty and Staff**

The university welcomes gifts from faculty and staff. It also recognizes the donor's right to designate a preferred, restricted purpose for their gift. Because a donor may not benefit personally from the use of the funds by Stevens, all gifts from faculty and staff must be credited to departmental or institutional accounts that are controlled by an individual other than the donor or a member of the immediate family of the donor. Faculty and staff members may designate gifts to a departmental discretionary fund that is controlled by the chair or director of the department and used to support research or teaching of any faculty member or other departmental activity.

A university faculty or staff member may not designate their gift to:

- Support their own salary or research;
- Pay for consumer goods to be used by themselves; and
- Pay for travel for themselves.

As with all gifts, donations from faculty and staff members must be routed through Development.

## **C. Institutional Conflicts of Interest**

In certain cases, significant relationships between Stevens and outside parties including vendors, research sponsors and donors, among others, may create conflicts of interest for Stevens at an institutional level and require disclosure to Stevens' leadership or Board of Trustees. In most cases, following disclosure, a plan will be created in consultation with Stevens' General Counsel to manage or eliminate any conflict of interest.

## **X. Donor Bill of Rights\***

To ensure that philanthropy merits the respect and trust of the general public and that donors and prospective donors can have full confidence in the organizations and causes they are asked to support, Stevens strives to ensure that all donors shall have the following rights:

1. To be informed of Stevens' mission, of the way that Stevens intends to use donated resources, and of its capacity to use donations effectively for their intended purposes;
2. To be informed of the identity of those serving on the university's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities;
3. To have access to the university's most recent audited financial statements;
4. To be assured their gifts will be used for the purposes for which they were given;
5. To receive appropriate acknowledgment and recognition;
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law;
7. To expect that all relationships with individuals representing the university will be professional in nature;
8. To be informed whether those seeking donations are volunteers, employees of the university, or hired solicitors;
9. To have the opportunity for their names to be deleted from mailing lists that the university may intend to share; and
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

\*The text of this statement in its entirety was developed by the American Association of Fundraising Counsel (AAFRC), the Association for Healthcare Philanthropy (AHP), the Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP).