

# **Stetson University**

## **Gift Acceptance Policy, Process, and Disposition**

# **GIFT ACCEPTANCE POLICY**

## **OVERVIEW**

### **I. Introduction**

This policy is established by Stetson University to govern the acceptance and disposition of all gifts made to Stetson University. This document requires approval of the Board of Trustees and will be reviewed on a regular basis by the Development Committee of the Board at which time the Committee shall recommend any revisions or amendments. All representatives of Stetson University authorized by the Board to conduct fundraising activities are expected to strictly adhere to the policies and procedures outlined in this section.

Representatives of Stetson University will not engage in offering legal or tax advice to prospective donors or their financial consultants. Information on mechanisms for giving and opportunities to give will be supplied to a prospective donor who will be encouraged to discuss the proposed gift with his/her independent legal and/or financial advisors. This will serve to separate Stetson University from any possible undue influence and better define the relationship with the prospective donor.

### **II. Gifts Governed by this Policy**

This policy is established by Stetson University to govern the acceptance and disposition of all gifts made to Stetson University to include but not limited to:

1. Cash and currency
2. Endowment Funds
3. Honor and Memorial Gifts
4. Gifts-In-Kind
5. Cryptocurrency
6. Corporate Gifts/ Sponsorships
7. Publicly-traded C Corporation securities
8. Other publicly-traded securities (e.g., units in master limited partnerships traded on a national securities exchange)
9. Real Property
  - Oil, Gas, Water and Mineral Rights
10. Tangible Personal Property
11. Intangible Property and other Assets
12. Planned/ Deferred Gifts
13. Life Insurance
14. Retained Life Estate

15. Art/ Instruments/ Outdoor Objects/ Special Situations

16. Donor Advised Funds/ The Non-Binding Gift Intention

Appendix A. Quasi Endowments

Appendix B. Loaned Art or Student Art

### **III. Gift Criteria:**

1. The gift must have a charitable purpose matching the mission of Stetson University.
2. The gift must not impose material restrictions which would jeopardize the status of Stetson University as a public charity.
3. The gift should be made only after careful consideration of the financial/tax consequences by the donor and his/her advisor(s).
4. The gift must not impose financial or legal liability on Stetson University.
5. The gift must be administered according to Stetson University's most current gift acceptance policy.
6. All gifts/donors must adhere to IRS rules and regulations, including but not limited to, IRS PUB 561.

### **IV. Gift Acceptance Committee (GAC)**

The Gift Acceptance Committee is comprised of the Stetson University's Vice President for Development & Alumni Engagement and at least two (2) other designees from the Office of Development (Assistant/ Associate Vice President, Executive Director, Major Gift Officer and/or the Director for Gift Planning), subject to such changes in composition as the President may wish to make from time to time. The Chief Financial Officer (CFO) shall be a member of the committee for gifts of \$1 million or more and/ or any gifts deemed to be unusual.

It is the responsibility of all Stetson development officers as well as any departmental official, Dean, or faculty member presented with a gift subject to this policy to present any such proposal to the GAC prior to acceptance by the University.

## POLICIES FOR ACCEPTANCE AND DISPOSITION REGARDING ACCEPTABLE ASSET CONTRIBUTIONS

### V. Cash Contributions

Donors are invited to make contributions in cash. Stetson University may also accept contributions by check or via debit/credit card transactions. See section IX for information regarding cryptocurrency.

### VI. Endowment Funds

A. An endowment fund is defined as a single or combined pool of assets gifted to Stetson University as a permanent, self-sustaining source of funding to provide resources for various activities consistent with the strategic plan of Stetson.

Endowment assets are invested: Each year, a portion of the value of the fund is paid out to support the fund's purpose, and any earnings in excess of this distribution are used to build the fund's market value. In this way, an endowment fund can grow and provide support for its designated purpose in perpetuity. When you establish an endowment fund, you create a permanent legacy of support for Stetson.

1. **Permanent Endowment** funds are those in which the principal amount must remain inviolate in perpetuity. Either the entire or the partial income from investment is made available for distribution.
2. **Quasi-Endowment Funds** are funds functioning as an endowment that are established by Stetson from either unrestricted or restricted donor or Foundation funds and will be retained and invested rather than expended. The quasi-endowment must retain the purpose and intent as specified by the donor or source of the original funds and earnings will be expended only for those purposes. Since quasi-endowments are established by Stetson rather than by an external source, the principal may be expended as stipulated by the donor in the gift agreement. (Note – See also Appendix “A” for additional Quasi-Endowment policy information from the Finance Policies and Procedures – Section 5)

B. **Endowment Funding Requirements.** The Stetson Board of Trustees has set different minimum funding levels for different types of endowments such as Scholarship, Programs, or Faculty Support:

**Endowments require a minimum gift level: *\*all payable up to 5 years***

- |  |                     |
|--|---------------------|
| ● Scholarships                                   | Minimum \$25,000    |
| ● Restricted Scholarships                        | Minimum \$50,000    |
| ● Full Scholarship (tuition)                     | Minimum \$1,000,000 |
| ● Full Scholarship (tuition, fees, room & board) | Minimum \$1,500,000 |
| ● Programmatic Support                           | Minimum \$25,000    |
| ● Faculty Support                                | Minimum \$50,000    |
| ● Professorship                                  | Minimum \$1,250,000 |

- Distinguished Professorship Minimum \$2,000,000
- Academic Chair Minimum \$3,000,000
- Deanship Minimum \$5,000,000
- Endowed Visiting Chair Minimum \$1,000,000
- Endowed Visiting Professorship Minimum \$750,000
- Endowed Faculty Award Minimum \$100,000
- Lecture Series Minimum \$100,000
- duPont-Ball Library Endowments Minimum \$100,000
- General Athletics Endowments Minimum \$100,000

**Non-Endowed/ current use**

- Named Fund Minimum \$15,000
- Student and faculty Enrichment Fund Minimum \$10,000

The spending rate policy is approved by the Board of Trustees.

**C. Approval/Acceptance Process**

1. The creation of all endowment funds shall be approved by the Gift Acceptance Committee (GAC).
2. All endowment funds will have specific guidelines detailing the purpose of the endowment which guidelines shall be reduced to a written and executed memorandum of understanding with the donor prior to acceptance of the endowment gift.
3. Investment of endowment funds will use a spending rate as set by the Board of Trustees each year.
4. If an endowment fund balance should fail to reach the minimum value of agreed endowment minimum, or if the purpose of the fund is no longer valid, the Gift Acceptance Committee (GAC) will determine the best course of action. Subject to the terms of the gift agreement, in the event the stated-purpose becomes impractical, then such fund may be used for such other educational uses and purposes as the President of Stetson shall deem necessary and advisable, keeping in mind the intent and goals for which the endowment was originally established. If it is determined that the fund will cease to exist the following procedures will apply:
  - a. Notify the principal donor, if still available, that Stetson University has determined that the particular endowment fund can no longer serve the purpose originally intended and that said fund should be transferred to be used for other educational purposes as the donor or the Board of Trustees of Stetson may determine.

If for any reason, the original donor is unavailable or should there be no agreement as to the disposition of the endowment fund as originally contemplated, the CFO should be contacted to determine how best to proceed given the current Florida Law and potential interaction with Florida's Attorney General.

5. Should Stetson University cease to exist, then the funds shall be transferred in accordance with the Articles of Incorporation of Stetson.

## **VII. Honor and Memorial Gifts**

Honor and Memorial Gifts are accepted by Stetson University. These gifts are typically small donations of appreciation or remembrance and are usually received in the following situations:

- In lieu of flowers
- To remember a person at the time of death
- To say “Thank You”
- To honor an individual
- To mark an anniversary, birthday or other special occasions

Donations are acknowledged to both the donor and the honoree (or their family) in a timely manner. Donated amounts are not revealed to the family. When there are multiple honor or memorial gifts, the names and addresses shall be included in the acknowledgement. Additional donations will be acknowledged at least weekly.

All Honor and Memorial Gifts will be placed in the unrestricted funds account unless otherwise indicated by the donor.

## **VIII. Gifts-In-Kind**

A gift-in-kind is defined as charitable giving in which, instead of giving money to buy needed goods and services, the goods and services themselves are given. If a gift involves significant additional expense attending its present or future use, display, maintenance or administration, The Vice President of Development & Alumni Engagement in conversations with the President, Department Chair, Dean, faculty member or recipient of said gift will discuss with donor an additional monetary gift to cover expenses, maintenance, storage, and transportation costs, as relevant, to determine the true value and need of the gift to Stetson. Only Stetson’s BOT Development Committee in conjunction with the Finance Committee, may approve acceptance of a gift in kind that involves ongoing expense.

The Office of Development & Alumni Engagement has the authority to accept certain types of Gift-in-Kind property valued at less than \$5,000.

Such gifts-in-kind include, but are not limited to, tickets to athletic events, postage, computers, computer software, electronic hardware, and items for auction. Such gifts need not be formally presented for acceptance by the GAC, but instead may be sent directly to the Office of Development & Alumni Engagement for processing. Only in the event that the Vice President of Development & Alumni Engagement is unsure as to whether the GAC would accept such a gift does a Gift-In-Kind valued at less than \$5,000 need to be brought before the GAC for formal acceptance. The Office of Development & Alumni Engagement will annually report to the GAC a summary of all gifts-in-kind accepted, what has been done with the gift and where/ how it is used.

The Office of Development & Alumni Engagement will record a Gift-In-Kind regardless of value in order to track all gifts in the University's official gift record system. Development & Alumni Engagement must be contacted to approve the acceptance of Gift-In-Kind to ensure that all necessary documentation is secured and processes followed.

Any Gift-In-Kind with a value exceeding \$100 but less than \$5,000 will be recorded on the University's gift record system at \$1, unless independent verification of the fair market value of the gift is provided. This allocation helps track the gift in the donor's record for stewardship purpose as well. The receipt issued by the Office of Development & Alumni Engagement for all Gift-In-Kinds will include the following two statements to emphasize to the donor the need to seek personal tax advice:

1. "Your [the donor's] gift may require that you complete Internal Revenue Service ("IRS") Form 8283, together with an appraisal of the donated property. Please consult your tax adviser."
2. "The deduction you [the donor] receive from this gift may be limited to the lower of the cost or the market value of the goods donated. Please consult your tax adviser."

A Gift-In-Kind with a value exceeding \$5,000 will require documentation from the donor or the department or program to benefit from the Gift-In-Kind in order to substantiate the donor's cost and/or the market value of the goods donated.

The donor should provide a copy of the appraisal and have a signed IRS Form 8283 which is required by the IRS for full gift credit. The donor should seek the advice of his/her professional tax consultant to determine the extent of the in-kind gift's tax benefit.

Gifts of art donated by the artist will be limited to cost of the materials to create the artwork.

Gifts of software or licensing, though useful and appreciated are generally not countable as charitable donations as they are considered partial interests by the IRS. To be considered a charitable donation, software must be irrevocably transferred to the University (not limited or licensed) with no restrictions, no expiration nor requirement of renewal, no implicit or explicit exchange or purchase of services, nor any provisions to share exclusive information.

The IRS has reporting requirements for the disposal of property received as gifts. Specifically, gifts valued at \$500 or more, which are disposed of within three years of the date of the gift, are subject to reporting to the IRS on Form 8282 within 125 days after the disposition. One exception to this rule would be if the property is distributed for charitable purposes.

Gifts-in-kind of services include such activities as printing of materials, appraisals, and design work, among others. These services can provide valuable support to the University. However, the contribution of services, no matter how valuable, is not tax deductible according to the IRS. Therefore, Development Operations does not record gift credit on the donor's giving record.

#### **Auction Items:**

Donors who purchase items at a charity auction may claim a charitable contribution deduction for the excess of the purchase price paid for an item over its expressed fair market value

Donors who provide items for auction are governed by the following:

- a. Physical items contributed to an auction are also eligible for a deduction. Donors can only deduct their cost basis in the tangible property they donate to the auction. For instance, if a store donates an item from its inventory, the store can take its cost basis in the item as a charitable deduction. Similarly, if a generous supporter donates

a case of wine from her personal wine cellar, she may take a deduction for her cost basis in the case. The item must sell at the auction in order for it to receive a donation. Otherwise, the item is returned.

- b. Services are *not eligible* for a charitable deduction. If the donor is an individual or business that offers services (such as a photography session, massage or tutoring), the donor is not permitted to take a charitable deduction for the value of those services.
- c. The use of vacation/second homes and real estate properties *are not eligible* for a charitable deduction. For example, if a donor offers a weekend at his home in the countryside, he cannot take a deduction for that donation because the IRS prohibits deductions related to what it calls “partial interests in property.”
- d. Art donations: The size of a charitable deduction resulting from an art donation depends on whether the art is considered income or capital gain property and how the art will be used. If donating a piece of art to an auction, a donor can only deduct the cost basis of the art (i.e. what the donor paid for the art or, if the donor is also the artist, the cost to produce the art). Art cannot be deducted at fair market value unless it is being donated to a charity, like an art museum, that will keep the art in direct furtherance of its mission and the donor has owned the art for at least one year.
- e. Raffles, being a game of chance, do not qualify as a charitable deduction

If there is any question about the acceptability of a potential gift of tangible or intangible personal property, the Vice President for Development and Alumni Engagement should be consulted before proceeding.

## **IX. Cryptocurrency**

Cryptocurrency is now an accepted form and will be immediately converted to cash by a third-party service with technical expertise and security features. Currently, *The Giving Block*, is the platform used by universities for crypto donations.

The most popular cryptocurrencies, by market capitalization, are Bitcoin, Ethereum, Bitcoin Cash, Litecoin, Tezos, EOS, and ZCash.

As for pledge agreements, it is much like gifts of stock as it goes to market price.

The IRS classifies cryptocurrency as property, which can be either ordinary income property or long-term capital gain property. Depending on the amount of the donation, the donor may need to substantiate the value of their deduction by way of a qualified independent appraisal.

Because of the volatility of exchanging cryptocurrency into US currency, gift agreements must include disclosures and agreements between the donor and the University regarding making up any difference if the exchange results in a lower amount than what the donor anticipated.

Gift receipting for cryptocurrency should be similar to that for personal property, stating the name and number of cryptocurrency coins donated, the date of receipt, and the fund or account benefiting from the gift.

## **X. Corporate Gifts**

### **A. Matching Corporate Gifts**

Many donors are employed by companies that encourage donations to charitable organizations. Matching gift companies work with employees to offer additional funding to the specific charitable programs supported by their employees. Donors who wish to support the Stetson University can provide more substantial support with the assistance of a matching gift company. All matching gifts received by Stetson as the result of donor's contribution(s) will be directed to the same fund as the donor's gift unless specified otherwise by the donor or the contributing corporation. The donor will receive "soft" credit for the matching gift for stewardship purposes.

### **B. Sponsorships**

Local businesses can participate as active partners in sustaining the high-quality services for the Stetson community by sponsoring events which support the work of Stetson University. Stetson events contribute to the community's wellbeing and give sponsoring partners greater visibility and access to prominent business leaders, as well as to the decision makers in local community. Sponsoring an event is equivalent to a Gift-In-Kind to the University and the Gift-In-Kind policy shall be followed.

## **XI. Publicly Traded Securities**

### **A. Approval/Acceptance Process**

1. Publicly traded securities may be accepted only by the Director of Advancement Service and the Gift Management Coordinator who has delegated authority by the Vice President of Development & Alumni Engagement and Stetson Board of Trustees to accept such gifts.
2. Any block of securities received with a value of \$1 million or more will require Gift Acceptance Committee (GAC) approval before liquidating.

### **B. Disposition**

All securities received are to be liquidated immediately whether for possible current use for any unrestricted or donor restricted purpose or for investment into the University's pooled endowment fund.

## **XII. OTHER SECURITIES**

### **A. Approval/Acceptance Process**

1. Non-publicly traded securities will only be accepted after approval of the Gift Acceptance Committee (GAC) in consultation with the University's CFO.

### **B. Disposition**

1. Such securities may be subsequently disposed of only with the approval of the GAC.

2. Closely held securities will be valued at their fair market value as determined by a qualified independent appraiser in accordance with IRS guidelines, with an appraisal performed within six months of the date of the gift.

### **XIII. Real Property**

#### **A. Criteria for Acceptance**

The GAC with inclusion of the University's CFO will consider gifts of real property, both improved and unimproved (e.g., detached single-family residences, condominiums, apartment buildings, rental property, commercial property, farms, acreage, etc.), including gifts subject to a retained life estate, only after a thorough review under the direction and supervision of the Vice President for Development & Alumni Engagement of the following criteria:

##### **1. Market Value and Marketability**

- a. The GAC must receive a reasonably current appraisal of the fair market value of the property and the value of interest in the property the University would receive if the proposed gift were approved. This appraisal requirement is wholly independent of any substantiation or appraisal requirements imposed by the IRS for charitable deduction purposes. Development officers should inform the donor that, if the gift is completed, the IRS may require a qualified appraisal commissioned no earlier than sixty days before the date of gift or later than the filing date of the tax return for the year in which the donor seeks a deduction. Development officers must also understand and communicate to donors that it is the University's policy to dispose of all gifts of real estate (other than property which the University wishes to retain) as expeditiously as possible. Thus, regardless of the value placed on the property by the donor's appraisal, the University will attempt to sell at a reasonable price in light of current market conditions, and the donor needs to be informed that any such sale occurring within three years of the date of gift will be reported to the IRS on IRS Form 8282.
- b. All real estate gifts shall have a minimum cost/ benefit ratio of at least 20% before consideration for acceptance. Exceptions to this threshold must be approved by the Gift Acceptance Committee.
- c. In general, real estate that is contiguous to property owned by Stetson University, or any of their respective affiliates will be accepted, unless the Board of Trustees determines, in its sole discretion, that the property is not suitable for acceptance as a gift.
- d. No commercial real estate shall be accepted by anyone on behalf of the Stetson University without prior approval of the Board of Trustees or its Executive Committee.

##### **2. Potential Environmental Risks**

No gift of real estate shall be accepted without first having a Phase I environmental assessment and an appraisal by a qualified appraiser selected by Stetson University who shall have no business or other relationship to the donor. This appraisal shall be binding, and it shall be paid for by the donor. The environmental assessment is also to be paid by the donor. Depending on the nature of the issues identified in the Phase I environmental assessment; Stetson may choose not to accept the gift. If environmental risks or specific

problems are identified in the Phase I environmental assessment, then the Gift Acceptance Committee (“GAC”) will either: (i) request that the donor remedy the environmental issues at the donor’s expense (if this is possible to the satisfaction of GAC); (ii) render a decision as whether to recommend a Phase II environmental assessment; or (iii) recommend that the property not be accepted. The decision by the property owner to proceed with additional assessment or remediation will not obligate Stetson to accept the gift.

### 3. Limitations and Encumbrances

The existence of any and all mortgages, deeds of trust, restrictions, reservations, easements, mechanic liens and other limitations of record on the real property must be disclosed. No gift of real estate will be accepted until all mortgages, deeds of trust, liens and other encumbrances have been discharged, except in very unusual cases where the fair market value of the University’s interest in the property net of all encumbrances is substantial.

### 4. Carrying Costs

The existence and amount of any carrying costs, including but not limited to property owners’ association dues, country club membership dues and transfer charges, taxes and insurance, must be disclosed.

### 5. Title Information

A copy of any title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney’s title opinion, must be furnished.

## **B. Real Property Oil, Gas, Water and Mineral Rights**

Stetson University may accept oil, gas, water, and/or mineral property interests but only with the approval of the Gift Acceptance Committee (GAC) in consultation with Stetson’s legal counsel and CFO. The owner of the property/Donor must provide the title of real property by conveyance for Stetson to have the perpetual right to drill, mine, explore, and remove any of the subsurface mineral and/or oil and gas resources on or from the property either directly from the surface of the property or from nearby location.

Questions to consider value:

- a. What is the value of the surface rights?
- b. What have been the average royalties or income from the oil, gas, water and/or mineral interests for the past three years?
- c. Are there extended liabilities or other considerations that would make receipt of the gift inappropriate?
- d. Is it a working interest? A working interest permits the owner to explore, develop and operate the property. The working interest owner bears the costs of exploration,

development, and operation of the property and, in turn, is entitled to a share of the proceeds.

- e. What are the costs associated with owning these interests?
- f. Is there any environmental liability?

### **C. Approval/Acceptance Process**

The Vice President of Development & Alumni Engagement with the assistance of the development officer will prepare a written summary of the real property gift proposal and submit that summary to the GAC through the Assistant Vice President of Philanthropy or Director of Planned Giving. At a minimum, the summary shall include the following information:

1. A description of real property;
2. The purpose of the gift (e.g., unrestricted, restricted, to fund an endowment or planned giving arrangement) and the department(s), program(s), or endowment(s) to benefit from the gift;
3. An appraisal of the property, which shall include the value of the University's prospective interest in the property and its marketability;
4. Any potential for income and expenses, encumbrances, and carrying costs prior to disposition and an acknowledgement by the department or school benefitting from the gift of their ability to assume all costs associated with the property until disposition;
5. Any environmental risks or problems revealed by audit or survey;
6. Any potential University use; and
7. Any special arrangements requested by the donor concerning disposition (e.g., price considerations, life estates, restrictions on use, time duration prior to disposition, potential buyers, realtors or brokers with whom the donor would like the University to list the property, etc.).

The GAC, including the CFO, will review the material presented by the Office Development & Alumni Engagement and make a determination as of whether to accept or reject the proposed gift of real property (or, if necessary, to postpone a decision pending the receipt of additional information). The Assistant Vice President of Philanthropy or Director of Planned Giving shall communicate the final determination of the GAC to the development officer, and the development officer shall communicate the University's decision to the donor in writing, including any conditions imposed by the GAC for acceptance.

If a proposed gift of real property is approved by the GAC, the Vice President of Development & Alumni Engagement will acknowledge receipt of the gift on behalf of the University upon notice that the property has been properly recorded in the relevant Registry of Deeds. The University will not assign a value to the gift property other than for purposes of the University gift record system. It is the donor's responsibility to establish a value for the gift for IRS purposes.

The execution and delivery of a deed of gift or other appropriate conveyance will complete the gift. The costs associated with the conveyance and delivery of the gift, including but not limited to recording fees, a current survey, title insurance and/or an attorney's title opinion, will be paid by the donor.

#### **D. Disposition**

The sale of real property received by gift valued at up to \$1 million would be approved through the Board of Trustees, provided that such property is not located on or contiguous to the Stetson campus or determined by Stetson's President or the Vice President for Development & Alumni Engagement to be important to the University in carrying out its educational mission. Otherwise, Board of Trustee approval is required.

The GAC will advise the Office of Development & Alumni Engagement of any guidelines it wishes to impose on disposition, such as minimum sales price or approving/rejecting special arrangements with the donor.

If the President or Vice President Development & Alumni Engagement of the University determines that it is in the best interests of the University to retain for its own use a gift of real property, the GAC will recommend to the appropriate officers of the University (and the Board of Trustees, as appropriate) that, in the case of real property gifts designated for endowment purposes, an amount equal to the fair market value of the property on the date of its receipt by the University will be deposited into the designated endowment fund. In all other cases, the GAC shall recommend the transfer of the appropriate amount of funds for the benefit of the designated gift purpose.

Upon acceptance of a gift, the GAC through the Finance Office with authorization from the CFO will designate a fund code/cost center for charging expenses associated with the gift pending disposition. In the absence of a known beneficiary for the gift, a Development fund code/cost center will be used as a holding account.

Upon sale of the property, the Office of Finance will prepare a final report on the property, including a financial summary of net proceeds, and distribute such report to the Executive Vice President and CFO and the designated representative of the department benefiting from the gift.

The Office Finance and Administration is responsible for filing IRS Form 8282 for gifts of real property sold by the University within three years of the date of gift.

The tax consequences of gifts-in-kind and gifts of real property are the responsibility of the donor, and Stetson University staff are not authorized to place a value on such gifts. Per IRS regulations, donors of such property are required to secure an independent appraisal and provide Stetson with an IRS Form 8283. In the event that such property is sold, exchanged, or otherwise disposed of within two years of date of receipt, the Stetson University is required to complete and submit IRS Form 8282.

## **XIV. Tangible Personal Property**

### **A. Criteria for Acceptance**

The GAC will consider gifts of tangible personal property, including but not limited to works of art, manuscripts, literary works, boats, and motor vehicles, only after a thorough review indicates that the property is:

1. Readily marketable and can be quickly liquidated at Fair Market Value; or
2. Can be put to a use by the University which is related to its tax-exempt purposes; that is, for education, research, or a combination thereof; and
3. No personal property shall be accepted that obligates Stetson to the ownership of it in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard will be accepted without prior approval of the GAC.

### **1. Approval/Acceptance Process**

The development officer or other appropriate departmental official will prepare a written summary of the gift proposal and submit that summary to the GAC through the Assistant Vice President of Philanthropy. At a minimum, the summary shall include the following information:

1. A description of the asset;
2. The purpose of the gift (e.g., unrestricted, restricted, to fund an or planned giving arrangement) and the department(s), program(s), or endowment(s) to benefit from the gift;
3. An estimate or appraisal of the asset's fair market value and marketability;
4. Any potential University use and, if so, a written review by the department to benefit from the asset; and
5. Any special arrangements requested by the donor concerning disposition (e.g., price considerations, time duration prior to disposition, potential buyers, etc.).

The GAC will review all materials presented by the development officer or other appropriate departmental official and make a determination whether to accept or reject the proposed gift or, if necessary, to postpone a decision pending the receipt of additional information. The final determination of the GAC shall be communicated to the development officer or other appropriate departmental official by the Assistant Vice President of Philanthropy, and the development officer or other appropriate departmental official shall communicate the University's decision to the donor in writing.

If a proposed gift of tangible personal property is approved by the GAC, the Vice President of Development & Alumni Engagement will acknowledge receipt of the gift on behalf of the University. The University will not appraise or assign a value to the gift property. It is the donor's responsibility to establish a value for the gift and to provide, at the donor's expense, a qualified appraisal as may be required by the IRS.

The execution and delivery of a deed of gift or other appropriate conveyance acceptable to the University, and the delivery of the property, as applicable, will complete the gift. The donor will pay the costs associated with the conveyance and delivery of the gift. In addition, the IRS may require the filing of IRS Form 8283 by the donor for gifts of tangible personal property for

charitable deduction purposes. This form should be sent to the Office of Development & Alumni Engagement for execution by the University.

## **2. Disposition**

Upon approval of a proposed gift of tangible personal property, the GAC will assign a University office with responsibility for disposing of the gift, unless the gift is intended to be put to a specific University purpose in which case no immediate disposition is necessary. Any guidelines the GAC wishes to impose on disposition, including minimum sales price and approval or rejection of any special arrangements with the donor, will be put in writing to the University office responsible for disposing of the gift at this time. The GAC through the Office of Finance will designate a fund code and cost center for charging expenses associated with the gift pending disposition. In the absence of a known beneficiary for the gift, a Development fund code/ cost center will be used as a holding account.

The GAC must first be consulted and/or polled or convened, before a gift of tangible personal property may be sold for less than appraised value or estimated fair market value or fails to meet the guidelines imposed by the GAC when approving the gift, as the case may be. If in the judgment of the University office responsible for disposing of the gift a current appraisal of the property would assist in disposing of the property, the University office responsible for disposing of the gift may request permission from the GAC or its Chair to have the appraisal performed. The cost of such appraisal shall be charged to the designed cost center.

Upon sale of the tangible property, the University office responsible for disposing of the gift will prepare a final report on the property, including a financial summary of net proceeds to the extent known, and distribute the report to the Office of Development & Alumni Engagement and the designated representative of the department to benefit from the gift.

The Office of Finance is responsible for filing IRS Form 8282 for certain gifts of tangible personal property sold by the University within three years of the date of gift.

## **XV. Gifts of Intangible Property and Other Assets**

The GAC will consider gifts of other assets, including, but not limited to, promissory notes; interests in general or limited partnerships, limited liability companies and other business entities or organizations; restricted or non-publicly traded securities (equity and fixed income); intellectual property rights including trademarks, copyrights, and patent rights; and other intangible property interests, only after a thorough review of the following criteria:

### **A. Criteria for Acceptance**

#### **1. Market Value and Marketability.**

The GAC must receive a reasonably current appraisal or estimate of the fair market value of the property and the interest in the property the University would receive if the proposed gift were approved. This valuation requirement is wholly independent of any substantiation or appraisal requirements imposed by the IRS for charitable deduction purposes. Development officers should also inform the donor that, if the gift is completed, the IRS may require a

qualified appraisal commissioned no earlier than sixty (60) days before the date of gift or later than the filing date of the tax return for the year in which the donor seeks a deduction. The appraisal and other information should clearly reflect any market for the asset under consideration and whether the asset can be sold within a reasonable period of time. The donor needs to be informed that a sale of the asset within three years of the date of gift will require the filing of IRS Form 8282.

## 2. Legal and Tax Documentation.

The GAC must be provided with all relevant legal and tax documentation and other information including, but not limited to, shareholder, membership or partnership agreements, articles of organization, federal or state regulatory filings, tax returns (3 years), licenses, ownership interests, previous and anticipated royalties, ongoing obligations, potential liabilities, and such other information as may be deemed material or relevant by the GAC and University Counsel. Depending upon the circumstances, outside counsel may need to be retained by the University to review the gift, at the donor's expense.

## 3. Donor Expectations.

Depending upon the particular circumstances of a proposed gift, it is advisable to have a written gift agreement between the donor and the University that sets forth the handling of the gift assets and the use of gift assets or sales proceeds.

### **B. Approval/Acceptance Process**

The development officer will prepare a written summary of the gift proposal and submit that summary to the GAC through the Assistant Vice President for Philanthropy. At a minimum, the summary shall include the following information:

1. A description of the asset;
2. The purpose of the gift (e.g., unrestricted, restricted, to fund an endowment or deferred giving arrangement) and the department(s), program(s), or school(s) to benefit from the gift;
3. An estimate or appraisal of the asset's fair market value and marketability;
4. Potential for income and estimated carrying costs and expenses prior to disposition and an acknowledgement by the department or school benefitting from the gift of their ability to assume all costs associated with the gift until disposition;
5. Any tax or legal risks (based on review by the University's legal counsel);
6. If relevant, a credit history or financial statement of financially responsible party, if applicable;
7. Any special arrangements requested by the donor concerning disposition (e.g., price considerations, time duration prior to disposition, potential buyers, brokers or agents, etc.).

The GAC will review the material presented by the development officer and make a determination as of whether to accept or reject the proposed gift or, if necessary, to postpone a decision pending the receipt of additional information.

The final determination of the GAC shall be communicated to the development officer by the Vice President of Development & Alumni Engagement, and the development officer shall communicate the University's decision to the donor in writing, including any conditions imposed by the GAC prior to acceptance.

If a proposed gift of an asset governed by this Section is approved by the GAC, the Vice President of Development & Alumni Engagement will acknowledge receipt of the gift on behalf of the University. The University will not assign a value to the gift property other than for purposes of the University gift record system. It is the donor's responsibility to establish a value for the gift and to provide, at the donor's expense, a qualified, independent appraisal as may be required by the IRS.

The gift will be completed by the execution and delivery of a deed of gift or other appropriate conveyance, and the delivery of the property, as applicable. The donor will pay the costs associated with the conveyance and delivery of the gift. In addition, the filing of IRS Form 8283 by the donor may be required by the IRS for charitable deduction purposes. This form should be sent to the Office of Development & Alumni Engagement for execution by the University.

### **C. Disposition**

It is the responsibility of the Finance Office to monitor and coordinate appropriate University resources to facilitate disposal of all gifts of assets in this Section. If the asset is a public traded security, the Finance Office will sell immediately. For other gifts of tangible and intangible property, the Finance Office will work with the Development Office to determine how best to convert the property into an income producing asset for the University. After this joint determination, the Finance Office will implement the disposition of the asset. To assist with the above process, any disposition guidelines from the GAC such as a minimum sales price and approval or rejection of any special arrangements with the donor, will be put in writing to the Vice President for Development & Alumni Engagement at this time.

Upon acceptance of a gift, the GAC through the Finance Office, will request a fund code/cost center for charging expenses associated with the gift pending disposition. In the absence of a known beneficiary for the gift, a Development fund code/ cost center will be used as a holding account.

Upon sale of the property, the Office of Finance will prepare a final report on the property, including a financial summary of net proceeds, and distribute it to the Development Officer and the designated representative of the department or school to benefit from the gift.

The Office of Finance is responsible for filing Form 8282 for certain assets sold by the University within three years of the date of gift.

## **XVI. Planned / Deferred Gifts**

### **A. Coordination**

Stetson University will coordinate the receipt of all planned gifts and estate plan intentions. Planned gifts include bequests made through wills or living trusts, retirement plan designations, life income plans, charitable lead trusts, and retained life estates, and any other vehicles are approved by the Board of Trustees. Donors during their life may designate their planned gift to any approved program within Stetson University. Undesignated gifts will go to the area of greatest need at that time approved by the President, CFO, and CDO

#### **B. Approval/Acceptance Process**

Representatives of the Office of Development & Alumni Engagement will inform, serve, and assist donors who wish to support Stetson's activities through planned giving, but under no circumstance pressure or unduly persuade a donor. The Office of Development & Alumni Engagement does not offer formal legal or tax advice and all donors will be asked to retain independent counsel to provide for legal and tax issues. The office of Development & Alumni Engagement will coordinate the processing of all legal documents associated with deferred gifts. Prior approval by the GAC shall determine if deferred gift instruments require outside, third party legal review.

### **XVII. Charitable Remainder Trusts**

#### **A. Description**

A Charitable Remainder Trust (CRT) is a separately administered trust established by the donor. It provides for payments to the donor or other named income beneficiary(ies) either for life or for a term of years (not exceeding twenty), whereupon the trust's remaining assets are distributed according to the terms of the trust.

Although it is not recommended, Stetson may serve as sole trustee of any charitable remainder trust in which the University's interest is irrevocable and equals at least 51% of the total charitable remainder interests; provided that the value of Stetson's proportionate share of trust principal (based on its percentage interest in the charitable remainder) shall be at least 100% of the minimum gift amount for a charitable remainder trust at the time Stetson accepts such trusteeship. Notwithstanding the above, Stetson must be the sole charitable remainder beneficiary of any charitable remainder trust invested in Stetson's Endowment.

#### **B. Approval/Acceptance Process**

1. Generally, Stetson may accept appointment as trustee if it is named as the sole, irrevocable remainder beneficiary and the trust corpus is marketable securities and meets the minimum funding requirement of \$250,000. However, exceptions to this rule can be approved by the Board of Trustees after consultation with Stetson's President and CFO.
2. Although there is no set requirement and each case is reviewed individually the Board of Trustees Stetson's VP of Finance and Administration, it is recommended that beneficiaries of the CRT be at least 50-years-of-age, that there be no more than 2 beneficiaries, that the CRT be irrevocable, and that the remainder beneficiary clause be irrevocable.
3. Stetson University's legal counsel will review all documentation before Stetson University accepts the fiduciary duty of serving as trustee.

## **XVIII. Charitable Lead Trusts**

### **A. Description**

A **Charitable Lead Trust (CLT)** is a trust in which the income or “lead” interest is paid to Stetson University and the remainder interest is given to one or more non-charitable beneficiaries. The amount paid to Stetson may either be a fixed sum (an annuity trust interest) or a percentage of the trust’s assets as valued each year (a unitrust interest). At death, or end of term of years, the remaining trust assets are distributed to non-charitable beneficiaries.

Stetson may serve as sole trustee of a charitable lead trust where the University is the irrevocable beneficiary of 100% of the charitable lead interest.

### **B. Approval/Acceptance Process**

1. The terms of the trust may be at the discretion of the donor, subject to the approval of the Vice President of Development & Alumni Engagement and review by legal counsel.
2. Stetson shall not serve as co-trustee of any charitable trust without approval of the GAC.
3. Stetson cannot serve as trustee of any trust other than a charitable remainder trust, a charitable lead trust, or a pooled income fund.

## **XIX. Charitable Gift Annuity (CGA)**

### **A. Description**

A Charitable Gift Annuity pays a fixed percentage of the initial fair market value of the cash or assets given by the donor. Under this type of planned gift, the donor transfers the asset to the University in exchange for commitment by Stetson to pay the donor a specified amount each year during the remainder of the donor’s life. Stetson will establish CGA with donors in accordance with federal law, IRS regulations, and the applicable laws of South Carolina.

### **B. Approval/Acceptance Process**

1. The minimum amount for a Charitable Gift Annuity is \$25,000.
2. Stetson University recommends that the beneficiary be at least 60–years-of-age unless the CGA is a deferred CGA.
3. The University will use the rates recommended by the American Council on Gift Annuities (ACGA). These rates will be reviewed annually for possible changes. Payments will be made no more frequently than quarterly.
4. All gift annuity contracts must be approved in advance of issue by the CFO.

### **C. Payout Rates**

The payout rates should conform to the recommended published rates of the American Council on Gift Annuities. Deviations from the ACGA rates must first be approved by the GAC as well as the CFO.

### **D. Acceptable Gift Assets**

The acceptance of assets other than cash, currency and publicly traded C Corporation securities to fund a planned or deferred gift shall be subject to all other requirements under this Gift Acceptance and Disposition Policy.

### **E. Approval/Acceptance Process**

1. All trust documents must be approved by Stetson's legal counsel unless the documents follow a pre-established form approved by Stetson's legal counsel. All gift documents (including proposals and gift illustrations) must be accompanied by a statement that neither Stetson nor any representative of Stetson provides legal, tax, financial planning or other professional advice and that all prospective donors are advised to seek independent legal, tax and financial counsel before entering into any gift arrangement.
2. All documents must be executed by the donor in triplicate, with all three (3) originals being returned to the Office of Development & Alumni Engagement to be distributed to (i) the donor; (ii) the Office of Finance & Administration; and (iii) the Office of Development & Alumni Engagement.

## **XX. Life Insurance**

### **A. Methods of Giving Life Insurance**

There are various methods by which a life insurance policy may be given to Stetson University:

1. Assign irrevocably a paid-up policy to Stetson University; or
2. Assign irrevocably a life insurance policy in which premiums remain to be paid; or
3. Name Stetson University as a primary or successor beneficiary of the proceeds.

### **B. Criteria for Acceptance**

Any of the foregoing types of insurance gifts are acceptable to Stetson. Stetson University will accept without the necessity of review and approval by the GAC gifts of life insurance policies (including whole life, variable and universal life policies) that are paid in full and support University approved programs and initiatives.

In the event that a policy is contributed on which premiums remain to be paid, the life insurance policy must meet the following criteria:

1. Has a minimum face value of \$500,000;

2. Has a payment schedule not to exceed eight (8) years and which assumes an interest rate not to exceed one percent (1%) below the prevailing prime interest rate; and
3. Requires a written pledge from the donor to the University in a total amount that equals or exceeds the total premiums due, and with pledge payments scheduled so as to equal or exceed each policy premium payment as that payment becomes due.

This written pledge also will acknowledge the absolute ownership by the University of the policy and acknowledge the resulting right of the University, in its absolute discretion, to cash-in the policy and apply the proceeds thereof in accordance with the terms of any agreement previously entered into by the donor(s) and the University relating to such proceeds or, if none, for the unrestricted benefit of the University.

Stetson University is both the owner and the beneficiary of the policy. While the policy will identify the University as the beneficiary, the development officer should work with the donor to clarify the purpose of the gift (whether it be for endowment (existing or new), a specific program or department, or unrestricted use) through the execution and attachment of a memorandum, letter, or endowment agreement to the policy.

#### **C. Approval/Acceptance Process**

If a Life Insurance Policy fails to meet all criteria above, it will be submitted to the GAC for approval or denial.

#### **D. Administration**

The Office of Finance shall administer all gifts of life insurance policies and shall maintain records of all donor policies, contribution schedules, donor designations of death benefits, payments of premiums and the like. The Office of Finance will inform any interested departments of any change in values and inform the interested department when the policy is paid out to Development & Alumni Engagement.

The Office of Development & Alumni Engagement shall be responsible for pledge reminders. Further, The Office of Development & Alumni Engagement will be responsible for informing all interested parties in financial information and information on deceased policy holders.

## **XXI. Retained Life Estate**

An individual may transfer to Stetson University a title to a personal residence or other qualified real estate where the donor or another person retains use of the property for a number of years or for the life of the donor or another person.

#### **A. Approval/ Acceptance Process**

1. A donor shall continue to be responsible for all taxes, insurance, utilities, and maintenance after transferring title to the property to the University unless, upon prior approval of the Board of Trustees and Stetson's CFO, Stetson University agrees to assume responsibility for any of these items.
2. Stetson University retains the right in its sole discretion to reject any gift of real estate accompanied by a retained life estate.

## **XXI. Art/ Instruments/ Outdoor Objects / Special Situations**

### **A. Acceptance Process**

Art/ instruments/ outdoor objects / special situations will not be deemed acceptable if it requires the expenditure of significant sums of money by the University, either for its installation and/or its continuing maintenance, unless the proposed gift is accompanied by a separate cash gift or an endowment of sufficient size to meet these expenditures.

For art, instruments, or outdoor objects intended to be displayed or used within the confines of the University's campus, the acceptance process shall proceed as follows:

1. Upon being notified that a gift has been proposed, the GAC shall first determine if the general criteria described above has been met. To assist the GAC in this evaluation, the proposal must be accompanied by the following information:
  - a. A description and a picture or photograph of the object.
  - b. The donor's preferences for identification of the object; (i.e., any plaques or other means of identification).
  - c. Estimated installation and maintenance costs, and the funding for it, if any. If the general criteria above have not been met or if the donor is unwilling or unable to furnish the requested information, the GAC shall decline to accept the proposed gift.
2. If the proposed gift is intended to honor an individual or an event, the GAC shall, in consultation with the Vice President of Development & Alumni Engagement and/or other senior officers of the University, determine if the timing of the proposed gift is appropriate and, if not, the GAC shall decline to accept the proposed gift.

If the above criteria have been met, the GAC shall refer the matter to the Dean of the area receiving the gift or the President for review and a recommendation on whether to accept the gift and, if the gift is recommended to be accepted, where to locate the gift.

## **XXIII. Donor Advised Funds / Non-binding Gift Intention**

A donor advised fund (DAF) is a giving vehicle offered by many investments and mutual fund companies, such as the Fidelity Charitable Gift Fund, and a number of community foundations. Individuals may use a DAF in lieu of a personal foundation. The individual determines the timing and size of contributions to a DAF based on tax benefits, then leaves philanthropic priorities to be considered as a separate question at a future date. While the individual may be allowed to make investment suggestions from an approved list of options, any investment gains to the DAF will be attributed to the DAF rather than the donor.

For tax purposes, a DAF is treated like a public charity, so an individual who uses a DAF as a giving vehicle receives a charitable tax deduction at the time that personal assets (e.g. cash or stock) are transferred to the DAF. The funds are then controlled by the DAF, not by the individual. This means that an individual who gives through a DAF cannot make a legally

binding commitment on behalf of the DAF. However, an individual donor who gives to a DAF may *recommend* that a DAF make a specific contribution to a specific qualified charity, and DAFs will almost always comply with the donor's recommendation.

Many DAFs will not make multi-year pledges, and DAFs are careful not to make payments on an individual's personal pledges. It is important for all members of the development community to understand and follow appropriate procedures in order to protect the tax status of Stetson's individual supporters and DAF donors.

When closing a gift, a development officer should ask the donor how he expects to make the payments. If the donor knows she will ask a DAF to contribute the funds, then the donor is not actually making a personal pledge to Stetson; rather, she is expressing her intention to ask for funds from a DAF. The DAF will ultimately decide whether or not to make the gift.

As the legal donor, the DAF will receive legal credit for the payment. The individual will receive soft credit. In acknowledgments and conversations, development staff should never refer to a gift from a DAF as a gift (or pledge payment) from an individual. (For example, "Thank you for your recommendation that the XYZ Donor Advised Fund make a gift to Stetson University" for the Jones Family Endowment.")

## **XXIV. Documentation of Gifts**

Pledges: are written or documented commitments to give a specific dollar amount according to a fixed time schedule. Only the entity exercising legal control over the assets to be given can make a pledge. Therefore, an individual cannot make a pledge that includes anticipated matching contributions from an employer or some other source. Nor can an individual commit funds that may come from a donor-advised fund or foundation. An enforceable, countable pledge includes only those funds that will be given by that legal entity.

- Pledge Payment Period: The pledge payment period should not exceed five years. Pledges for a period longer than 5 years are discouraged and granted only by exception for exceptional circumstances and approved by the Gift Acceptance Committee (GAC).
- Conditional pledge is a pledge that contains a definable condition that the University must meet prior to the pledge being fulfilled. Stetson University will count conditional pledges only in those cases where there is a reasonable expectation that the conditions will be met beforehand. Otherwise, all Conditional pledges will be recorded only when those stated conditions have been met.
- The donor may not prescribe contingencies or conditions that require an undue burden of financial resources by Stetson University.
- Gifts to endowments will be documented by a gift agreement signed by the donor and Stetson University's designee. Such an agreement will be framed in preferential language which would allow Stetson University, in the event that the original restrictions cannot be followed, to use the funds for a compatible, related, or other worthy purpose.
- The donor must be considered to be financially capable of making the gift.

- Changes to the original pledge must be documented in writing (letter or email) by the donor and accepted by Stetson University.

## **XXV. Gift Recording:**

- Anticipated matching gifts will not be included in donor's pledge amount. The matching gift, when received, will be booked with legal or hard credit to the matching entity. A soft credit will be recorded to the original donor for recognition of the matching gift as per Development Operations recognition guidelines.
- If a final pledge payment exceeds the pledge balance, a gift will be recorded for the amount of the overpayment. Underpaid pledges (as a result of rounding, gift valuation, or incremental giving) may be recorded as paid in full when donors' intents are clearly to pay commitments in full. Before taking action, each situation will be evaluated for the underpaid amount and other circumstances concerning the donor.
- Pledge Payment Period: The pledge payment period should not exceed five years. Pledges for a period longer than 5 years are discouraged and granted only by exception for exceptional circumstances and approved by the Gift Acceptance Committee (GAC).
- Before defaulted pledges are written off, pledges over \$5,000 must be reviewed and approved by the Vice President of Development.
- Pledge balances will be written off when Stetson University is notified of a donor's death only after unsuccessful attempts to secure the balances either through a provision in the donor's will identifying Stetson University as a beneficiary or if the donor's family fails to demonstrate an intent to complete the pledge.
- Annual Fund pledges are specific fund based gifts usually for amounts less than \$1000 and payable within the fiscal year. Annual Fund pledges that are not fulfilled will be removed from pledge records within three months after the end of the fiscal year.
- Pledges from individual donors that are likely to be paid in full or part through a private family foundation must be written in the form of a non-binding statement of intention in order to prevent the donor or foundation from potentially violating certain provisions against self-dealing under the federal tax laws.

Stetson University will maintain all pledge documentation and copies of all endowment gift agreements.

## **EFFECTIVE DATE**

This policy approved \_\_\_\_\_, 2022.

## **Appendix A. Quasi Endowment Policies**

Quasi endowments (historically known as “Funds Functioning as Endowments”) are invested funds that allow for the expenditure of principal as well as income. Therefore, quasi endowments are not permanent funds, but they are considered long-term investments. Typically, quasi endowments are established with University-designated funds, but in some cases a donor may wish to create a quasi endowment for a specific purpose.

### **Purpose:**

- 1) To ensure that the proper Stetson University approval is in place for a) the establishment of any new University-designated quasi endowment, and b) for any additions to or withdrawals from existing quasi endowments (University or donor-designated)
- 2) To ensure that new donor-designated quasi endowments have sufficient flexibility and documented disclosure of Stetson University’s policies for the use of principal.
- 3) To ensure that any withdrawals from restricted quasi endowments comply with donor-intent

### **Policies for the establishment of quasi endowments University-designated Quasi Endowment:**

The designation of unrestricted current-use (expendable) gifts or discretionary reserves to quasi endowment (new or existing) must be approved in writing by the following:

- Up to \$250,000 – Executive Vice President and CFO (EVP/CFO) with notice to President
- Over \$250,000 – EVP/CFO and EVP/Provost with notice to President, Chair of the Finance Committee and Chair of the Board of Trustees
- Over \$500,000 – President, EVP/CFO, EVP/Provost, Chair of the Finance Committee, and Chair of the Board of Trustees

Quasi endowments are viewed as long term investments and are expected to remain intact for a minimum of seven years. Stetson University does not permit the designation of restricted current-use gifts or restricted income reserves to quasi endowment. The expectation is that these funds will be spent down for purposes meeting the donor restriction.

### **Donor-designated Quasi Endowment:**

Donors may establish a quasi endowment for unrestricted purposes or for a specific purpose provided the terms are broadly defined, acceptable to the University, and contain alternative use provisions. The Donors’ understanding that income and principal will be available for spending at the discretion of Stetson University must be clearly documented. Donors must also be made aware of the University’s policy for the use of principal. The fund terms should be documented in a Statement of Understanding designed for quasi endowments. Policies and Procedures – Section 5 – Finance Policies 67

## **Appendix B. Loaned Art or Student Art**

A faculty member (excluding the Hand Art Center) seeking to install or display loaned art or student works, on campus- indoors or outdoors, on a short-term basis should submit a short proposal to the

department chair, Dean of the College of Arts and Sciences, and Facilities Management. The proposal should include the following information:

- The course in which the works have been created if applicable
- Dates and location for displaying the works
- Describe required installation/ maintenance of the works or display area such as lighting, cement pad, security, etc.
- Estimate of any outside costs associated with installation, maintenance
- Acknowledgment that the University's signage standards must be followed
- Acknowledgment that ADA requirements are being met for accessing the displayed works
- Acknowledgment that Risk Management may require a signed waiver releasing the University from any risks associated with the student installing/removing works
- Describe any obligations to an outside source, company, alum, friend, event

The Hand Art Center at Stetson University will accept works of art/objects related to a temporary exhibition, special events, University decoration and/or other purposes under the direction of the administration, on loan for specified periods, as stated on the Incoming Loan Agreement Form.

- A loan agreement form will be prepared stating the conditions of acceptance of the loan, and its duration, for the signature of the owner of the loaned work(s)/object(s), or his or her agent
- Stetson University will insure the work under its fine arts policy for the amount specified by the lender against all risks of physical loss or damage from any external cause while in transit and on location during the period of this loan; provided however, that if the work shall have been industrially fabricated and can be replaced to the artist's specifications, the amount of such insurance shall be limited to the cost of such replacement. If no amount shall have been specified by the lender, the University will insure the work at its own estimated valuation. If the lender chooses to maintain their own insurance, then, prior to the delivery of the work, the University must be supplied with a certificate of insurance. Any object valued at more than \$500 must be accompanied by a certificate of insurance or an insurance waiver signed by the owner of the object
- Transportation for and packing of the work(s)/object(s) will be arranged in consultation with the lender
- If damage or deterioration is noted, the lender will be notified at once. Should damage occur in transit the carrier will be notified and all packing materials saved for inspection
- Lent objects shall not be unframed, unglazed, or removed from mats, mounts, or bases, cleaned or repaired, without the permission of the lender to be confirmed in writing
- Lender agrees that they will not withdraw loan during the period of this agreement without prior consent from Stetson University
- If legal ownership of the work shall change during the period of this loan, whether by reason of death, sale, insolvency, gift or otherwise, the new owner may, prior to its return, be required to establish their legal right to receive the work by proof satisfactory to Stetson University