

THE UNIVERSITY OF ALABAMA IN HUNTSVILLE

GIFT ACCEPTANCE POLICY

Number 04.04.01

Division Office of the Vice President for University Advancement

Date November 2021

Purpose The University of Alabama in Huntsville (“UAH” or “University”) welcomes gifts from donors interested in benefiting the University and its programs. UAH, as a part of The University of Alabama (“UA”) System, must accept In addition, UAH, through the President, may adopt higher minimums in some cases and provide guidance and definition for the gift acceptance policy and process. The UAH Office of the Vice President for University Advancement, the UAH Office of the Vice President for Finance and Administration, affiliated foundations, and The University of Alabama System Pooled Endowment Fund (“UASPEF”) have the responsibility of managing gifts to UAH and its affiliated foundations. Gift management includes formal acceptance of gifts, proper allocation of gifts in accordance with UAH accounting procedures, receipts and acknowledgment to donors, maintenance of donor records, and other gift-related activities.

The following statement of policy and procedure has been adopted to ensure that all gifts to UAH are properly and efficiently accepted, received, acknowledged, and administered.

Policy To support the mission of UAH, increase private giving, and ensure the University meets standards of regulatory and ethical guidelines in fundraising efforts, the UAH Office of Development (“Development Office”) is responsible for collecting and maintaining donor and prospective donor information. The Development Office will honor donor rights and reasonable restrictions to the extent they are allowed by law, and will provide donors with appropriate receipting for income tax filing purposes.

Gift Acceptance

The following categories of gifts must be recommended by the Chancellor and UAH President, and approved by formal resolution of The Board of Trustees of The University of Alabama:

1. Gifts to establish new endowments. Gifts to create endowments must comply with the minimum standards set forth herein, and investment of endowed funds must comply with [Board Rule 404](#).
2. All named gifts, including gifts conditioned on the naming of a facility, part of a facility, college, school, department, program or unit.
3. Gifts restricted as to investments.
4. Gifts of real property or an interest therein.
5. Gifts of undivided interests.
6. Gift-sales or gifts subject to any encumbrance.
7. Gifts of non-publicly traded stock or otherwise of ownership, membership, or partnership interests for which there is not a ready market, regardless of whether such interests are passive.
8. Gifts that, because of their unusual nature, either present a potential detriment, financial or otherwise, or a serious question as to whether they are within the role and scope of the campuses.

(Categories one through eight are taken from: The Board of Trustees of The University of Alabama, Board Rule 411 V., available at www.uasystem.edu.)

The Chancellor, the UAH President, or their designated representatives shall have full authority to accept all gifts not described above. The Vice President for University Advancement is the representative designated by the UAH President. While a number of positions across the University will receive gift monies, only the Chancellor, the UAH President, and their designees can formally accept the monies as gifts on behalf of the University.

B. Types of Gifts Accepted

1. Cash and cash equivalents
2. Securities
3. Closely held securities and business interests
4. In-kind gifts
5. Legacy gifts - revocable and irrevocable
6. Promises to Gift and Intentions to Give (Pledges)
7. Other, including bargain sales, contributed services, Quid Pro Quo contributions, etc.

Cash and Cash Equivalents

Cash and cash equivalent gifts are accepted in the form of currency, checks, money orders, wire transfer, Automated Clearing House (ACH), credit/debit card charges, and/or third-party distributions including donor-advised funds

and matching gifts. Gifts (one-time or recurring) can be made online via the [UAH Giving Link](#) or through payroll deduction. All gifts should be noted with a designation.

Securities

Gifts of publicly traded stocks, bonds, and mutual funds shall be coordinated through the Development Office prior to acceptance. Instructions for transfer vary depending on whether the donor has physical possession of the stock certificate or the donor's broker holds the stock on behalf of the client. Stock gifts are valued at the mean of the high and low price of the security on the date of transfer of ownership multiplied by the appropriate number of shares (net asset value is used for mutual fund valuation). The retained brokerage company will sell the gift as soon as feasible and the receipt of the proceeds of such sale shall be deposited into the appropriate account.

Closely Held Securities and Business Interests

The University may accept closely held securities or other business interests on a case-by-case basis. The UAH President, the Vice President for Finance and Administration, and the Vice President for University Advancement shall determine acceptance of these gifts after consultation with The Board of Trustees of The University of Alabama.

In-Kind Gifts

The University accepts in-kind gifts as charitable contributions. Before a non-cash gift can be accepted, the internal "Non-cash Gift Acceptance" form, which can be found on [myUAH](#), must be completed by either the primary user or beneficiary of the gift or the person involved in developing the gift.

The Non-cash Gift Acceptance form must be signed by chair/supervisor of the relevant unit. The dean or director in charge of the unit, as well as the cognizant Vice President, must also approve gifts of \$5,000 or greater. These are submitted to the Vice President for University Advancement to determine acceptance.

The suitability of proposed gift should be evaluated for both its anticipated use and the cost associated with its use by the University. It should also be assessed for its potential use to further both the general mission of the University and the more particular mission of the unit within the University that will be the primary user or beneficiary of the property. The commitment of University resources required to deliver, install, house, use, and maintain the gift must also be reasonable in comparison with the benefit to be derived from it.

Confidentiality Agreement which is maintained on file.

unrestricted gift account, while restricted current-use gifts will be deposited into the appropriate restricted gift account; if such an account does not exist, it will be created. All gifts to endowed funds shall be deposited as quickly as feasible into the UASPEF or a separate investment account. An MOA should govern each endowment fund. Gift funds, both endowed and current use, are to be used for the purposes communicated by the donor when making the gift. Undesignated gifts will be directed to the President's Excellence Fund. The University is committed to properly administering the donor's gifts according to their wishes.

The dean, department chair, or budget head is responsible for ensuring the proper expenditure of gift funds at their disposal. This includes ensuring funds are properly established, appropriate coordination with interested third parties is completed, and funds are expended in a timely manner. At the end of each fiscal year the Vice President for Advancement and cognizant Vice President for each area will conduct a review of all accounts.

To ensure the proper expenditure of gift funds, the Development Office will coordinate activities to ensure the donor's restrictions are clarified and conveyed when establishing new gift funds by contacting the donor if there are any questions and working with the unit to interpret governing documents.

If the gift funds cannot be used in a manner consistent with the donor's restrictions and the donor is not able to execute an amendment to the fund agreement outlining the purpose of the fund, or there is no agreement governing the fund, the unit should discuss the limitations and possible alternatives with the Development Office. If deemed appropriate, the office will seek approval from the Office of Counsel to proceed with a change.

Definitions

Acceptance: An

Approval

University Counsel

Date

Vice President for University Advancement

Date

Campus Designee

Date

APPROVED:

President

Date