

Western Carolina University
Foundation

Gift Acceptance Guidelines

Initially Adopted 2/1/2013
Revised and Adopted by WCU Foundation
Board 5/1/2020

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I. General Statement of Purpose

Western Carolina University ("the University") adheres to a fundamental belief in the transforming influence of private gifts. Private giving helps the University to achieve its goals of growth, academic improvement, and service to the region and helps to ensure excellence in higher education by providing funding for a number of initiatives including but not limited to programs, scholarships, fellowships, professorships, research, campus renovations, and new facilities.

In accordance with University Policy # 55 (Appendix A), the Division of Advancement ("The Division") is responsible for the solicitation of all contributions from private sources, under the general supervision of the Vice Chancellor for Advancement. The Division (e-3 (U) 18.7815-5 (i) 300 (3) 1262 (12-8) 805 (1812) (04) (B) - (1) 5 (E) - (1 71A) 2

of a gift if the Foundation is unable to comply with the donor's intent or if the gift has been misdirected to the Foundation.

- x A gift is not generally subject to an exchange of consideration or other contractual duties between the Foundation and the donor, except for certain deferred gifts as set out in these guidelines.
- x A gift does not specify a period of performance. For example, formal financial accounting to the donor is not required as it would be, for example, with a research grant.
- x Generally, funds received from individuals, closely held corpora.

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provisions made to complete the pledge

4. Planned / Deferred

- x restrictions that permit the donor to designate particular individual recipients;
- x restrictions related to the future employment of the recipient, except where such restriction is consistent with the purpose of the establishment of the award and does not require the recipient to accept an otherwise undesirable position solely for the benefit of the donor or any other private individual or corporation;
- x restrictions by the donor regarding conditions or terms of repayment (such as loans to students from donated funds or their proceeds).

This list is intended to be illustrative and not inclusive. The WCU Scholarship Office will be consulted prior to the establishment of a fund relating to financial aid.

C. Contingency Clauses

The needs, policies, and circumstances at the University may change in unforeseen ways over the many decades following the establishment of an endowment fund. Therefore, the University must be able to make use of funds in its best interest under changed conditions, while continuing to perpetuate the name and memory of the donor or delegate. An example of a .1 (n)-1en(he(del)-9 (egat)-13.1 (e.)-1.1 ()-12.1 (9)-12.3 (ge)-12()-12.1 (8 (een)

x compatible with the missions of the University and of its individual programs;
x

- x There shall be no expectation, understanding or condition that gifts such as books, paintings, or other tangible property will be loaned back to the donor

A. Bequests and Estate Distributions

Distributions received by the foundation through an individual's estate plan may involve a devise by will (commonly called a bequest) or a distribution from a trust. Bequests should be directed to the Foundation. The Foundation should obtain a copy of a bequest designation to ensure that the devise is properly described and directed.

In many cases the University is not aware of a bequest or trust distribution until notice is received from the personal representative or trustee of a deceased donor. In some cases, it may be best for the Foundation to disclaim a bequest or distribution upon institutional concerns of liquidity, marketability, holding costs, environmental contamination, liability, or the existence of unacceptable conditions or restrictions

Charitable remainder trusts are irrevocable, separately administered trusts established by the donor. Trust payments are provided to the donor and/or other named beneficiary(ies) for life or a term of years (not exceeding twenty), whereupon the remaining assets are distributed to one or more charities.

A charitable remainder annuity trust pays a fixed amount each year. This distributed amount cannot exceed an amount that would likely exhaust the trust assets during the anticipated term of the trust. The amount payable in an annuity trust does not change, and no additional gifts may be made to the annuity trust after its creation.

D. Charitable Lead Trusts

WCU Foundation partners with other UNC System Schools in the NC Gift Planning LLC. In most instances, the NCGP LLC entity serves as trustee for all trusts and agent for all annuities.

In many ways lead trusts are the opposite or reverse of charitable remainder trusts. A charitable lead trust pays out income (or the lead interest) to the Foundation for the life or lives of persons living when the trust is created or for a specified term of years. At the end of the term, the trust assets revert to the donor, the donor's estate, or specific beneficiaries named in the trust documents.

deferred to allow time to sell the property.

F. Life Insurance

XII. Guidelines on Investment of Gift Property

The responsibility for the investment of Foundation and University endowment funds is exclusively that of the

erroneous duplicate payment, or (B) a payment which the donor clearly intended to make to another individual or entity. Payments within this category will be returned to the donors upon approval of Foundation management.

(2) The Foundation is required under a legally binding contract to return a charitable gift to the donor. The classic example is a circumstance under which a donor makes a charitable gift to a charitable organization to construct a building, and the building is never constructed, and there is a provision in the applicable binding contract which requires the charitable organization to return the funds to the donor. Returns to a donor that meet the criteria of this category will be processed upon approval by the Executive

