

Fundraising and Development

PURPOSE	1
POLICY STATEMENT	2
WHO SHOULD KNOW THIS POLICY	2
DEFINITIONS	2
REGULATIONS	3
1.0 SOLICITATION OF GIFTS	3
1.1 <i>Clearance</i>	3
2.0 GIFT ACCEPTANCE	4
2.1 <i>Gifts of Cash and Cash Equivalents</i>	4
2.1.1 Cash Gifts to Student Organizations	5
2.2 <i>Gifts-in-Kind</i>	5
2.2.1 Valuation of Gifts-in-Kind	5
2.2.2 Encumbered Property	6
2.3 <i>Planned Gifts</i>	6
3.0 GIFT REFUSAL	7
4.0 RESTRICTED AND UNRESTRICTED GIFTS	7
5.0 STEWARDSHIP	8
5.1 <i>Donor Recognition</i>	8
6.0 DONOR ADVICE	8
7.0 DONOR CONFIDENTIALITY	9
8.0 FUNDRAISING EVENTS	9
8.1 <i>Fundraising Sales</i>	9
8.2 <i>Admission Charges (Ticket Sales)</i>	9
8.3 <i>Revenue Recording and Recognition</i>	9
9.0 OFF-CAMPUS SOLICITATION	10
9.1 <i>Solicitation by Student Organizations</i>	10
10.0 AUTHORITY	11
FORMS	11

Purpose

The Associated Students is a nonprofit corporation under Part 2 of Division 2 of the Corporations Code of the State of California and is registered with the California Attorney General as a Charitable Trust under Government Code Section 12586. ASI is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Contributions made to the ASI are tax deductible under Section 170(b)(1)(A) of the Internal Revenue Code. These designations entitle the ASI to be a beneficiary of philanthropic fundraising and development activity.

Development activities provide an opportunity for the ASI to accumulate resources for needs not financed by mandatory student fees or income from operations. Such activities also provide an opportunity for members of the community to demonstrate their support of the ASI's efforts.

The purpose of the ASI Fundraising and Development Policy is to establish a clear understanding of the policies and objectives governing development activities. Among other things, this policy seeks to coordinate the ASI's development efforts with those of the University in order to minimize duplication, confusion, and internal competition for resources.

Policy Statement

It is the policy of the Associated Students, Incorporated to actively solicit gifts and grants, including endowment funds, to further the mission of the organization. The Executive Director and the Board of Directors shall have the authority to solicit and/or accept gifts on behalf of ASI. All ASI development activities shall receive approval of the Board of Directors before implementation. This approval will typically be granted during the annual budget review and approval process. If subsequent development activities are proposed, they must be submitted to the board for consideration and approval. ASI's Policy on Fundraising and Development governs the solicitation of gifts from individuals, corporations, foreign governments and entities, foundations, and associations. Proposals for research, training, and special project grants and contracts are covered under separate policy.

Who Should Know This Policy

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Budget Area Administrators | <input checked="" type="checkbox"/> Elected/Appointed Officers | <input checked="" type="checkbox"/> Grant Recipients |
| <input checked="" type="checkbox"/> Management Personnel | <input checked="" type="checkbox"/> Program Advisors | <input checked="" type="checkbox"/> Staff |
| <input checked="" type="checkbox"/> Supervisors | <input type="checkbox"/> Volunteers | |

Definitions

For purposes of this policy, the terms used are defined as follows:

Term	Definition
Annual Gifts	Any gift, regardless of size, that can be expected to recur on an annual basis. These gifts rely heavily on proper donor and prospect management.
Bequests	The process of giving stocks, bonds, or any other assets to beneficiaries through the provisions of a will.
Capital Campaigns	Fundraising campaigns designed to generate funding for long-term capital projects that are integral to ASI's long -range plans
Cash Gifts	Gifts of checks, cash, or cash equivalents (credit card transactions) that can be readily converted to cash
Charitable Gift Annuity	A type of gift transaction where an individual transfers assets to a charity in exchange for a tax benefit and a lifetime annuity. As with any other lifetime annuity, when the beneficiary dies, the annuity payments are stopped, and the charity retains the remaining funds. In a typical charitable gift annuity, the annuity payouts are not limited to the contributed assets, however the actuarial calculations establishing payout amounts usually provide that a large residual amount should remain for the charity after the beneficiary's death.

Term	Definition
Charitable Lead Trusts	A trust designed to reduce beneficiaries' taxable income by first donating a portion of the trust's income to charities and then, after a specified period of time, transferring the remainder of the trust to the beneficiaries.
Charitable Remainder Trusts	A tax-exempt irrevocable trust designed to reduce the taxable income of individuals by first dispersing income to the beneficiaries of the trust for a specified period of time and then donating the remainder of the trust to the designated charity.
Corporate Sponsorships	Any request for corporate or business sponsorship or gift (cash or in-kind, including donations of food and supplies) for any ASI program or event
Direct Campaigns	A mail or telephone campaign, annual giving program or direct request for a contribution made to an individual, corporation, foundation or association
Endowment	A gift of money or property to an institution for a specific purpose, especially one in which the principal is kept intact indefinitely and only interest income from the principal is used.
Endowment Gifts	Gifts maintained, invested, and managed by ASI to fund an initiative in perpetuity. The gift is used as principal and only investment earnings are distributed. The minimum level for an endowed account is \$10,000.
Fundraising Events	Any sale (art, craft, merchandise, baked goods, etc.) or event (car wash, dance, etc.) in which individuals outside ASI will be solicited that will support any ASI program or department; or any solicitation of CSULB faculty, staff or students which takes place on campus for the benefit of an ASI program or department. The Office of Student Life and Development must first approve such fundraising events being planned by student organizations.
Major Gifts	Gifts at a level significantly above a donor's normal level of annual support. These gifts can be outright, a multiyear pledge, a planned gift or a combination thereof.
Non-sponsored Activities	Fundraising activities for which no ASI-affiliation exists whatsoever. While not regulated by the ASI, non-sponsored activities are subject to university approval and oversight.
Planned Gifts	Gifts that incorporate some element of the deferred transfer of assets, such as an income trust or a provision within a donor's will
Restricted Gifts	Gifts in which the donor specifies a specific use, for example a program, scholarship, project, etc.
Solicitation	The act of asking (a person or group) for a contribution of money, resources, a service, or opinion.
Unrestricted Gifts	Gifts in which the donor does not specify a specific use.

Regulations

1.0 Solicitation of Gifts

Solicitation of gifts is differentiated from other types of fundraising activities primarily because it represents an activity for which a donor may qualify for a tax deduction under Internal Revenue Service guidelines. All development activities involving the solicitation of gifts must receive prior approval of the ASI Development Associate. In all cases, solicitation of gifts must be conducted under the following guidelines:

1.1 Clearance

All prospects to be solicited for gifts by ASI must be reviewed by the ASI Development Associate before any solicitation activity occurs. Requests for clearance are to be submitted to the Development Associate on a Charitable Solicitation Proposal form.

Based upon the information provided, the Development Associate will reject the request, advise on revisions, or approve it. For gifts over \$1,000, the request will be forwarded to the Division of University Relations and Development for university review and approval.

Once approval is received, donors must be instructed to make checks payable to: "CSULB Foundation/(Name of ASI Department or Organization)".

ASI shall pay no commissions or finder's fees as consideration for directing a gift to ASI or to any of ASI's affiliates.

2.0 Gift Acceptance

ASI's responsibility is to productively pursue gifts that will further the organization's mission, goals, and objectives. The primary consideration in the pursuit of gifts is how they can benefit the organization in the most ethical and unencumbered manner. Recognizing that the acceptance of certain gifts could compromise ASI's ability to accomplish its goals or could jeopardize its tax-exempt status, the following stipulations must be considered before any gift is accepted:

- Is the gift one that is consistent with ASI's standards, principles, and core values?
- Will the gift unnecessarily challenge ASI's ability to further its mission, goals, or objectives?
- Does the acceptance of the gift present ASI in an unfavorable light? Does it appear that there may exist a conflict of interest between the donor and ASI?
- Is there clear charitable intent and commitment to ASI?
- Will the acceptance of the gift be compatible and in agreement with other fundraising activities or gifts?
- Are the circumstances surrounding the donor and the gift believable?
- If controversy develops, will it be significant enough to weaken the organization?
- Will the nature of any in-kind contribution create problems, such as in advertising or sponsorship?
- Who is the donor? Is the gift from an individual or a corporation? Does the donor represent a perceived conflict of interest, or might the donor's objectives not fit with the mission of ASI?
- Gifts can encourage others to give or do the opposite. What effect will the particular gift have on ASI's ability to solicit other gifts?

Gifts must be used in a manner consistent with the intent and restrictions placed on the gift by the donor. The Division of University Development will advise ASI of the intent and any restrictions on the use of the gift. ASI will be responsible for compliance with these restrictions.

2.1 Gifts of Cash and Cash Equivalents

The acceptance of unrestricted, outright gifts of cash, check, credit card, and publicly traded securities shall be accepted by the ASI Development Office. All cash gifts to ASI are to be

deposited immediately upon receipt to the CSULB Foundation, 6300 State University Drive, Suite #332 so that the proper acknowledgements can be issued. Shortly thereafter, the funds will be transferred to the ASI Business Office and credited to the recipient program's Agency account or revenue account, as appropriate. If the gift qualifies for a "matching gift" program, appropriate documentation must be presented to the Foundation.

2.1.1 Cash Gifts to Student Organizations

ASI has been authorized by the CSULB Division of University Relations and Development to accept gifts on behalf of university-recognized student organizations. Gifts of cash and checks of \$3,000 or less per donor may be deposited directly to a student organization's agency account held at the Associated Students Business Office. Gifts made by credit card may be processed by the Associated Students Business Office if made in person. If the organization does not have an account, the deposit will be made to a holding account until claimed by the organization.

All cash gifts to a student organization must be reported to ASI on a Student Organization Gift Record form. If a gift qualifies for a "matching gift" program, appropriate documentation must be presented to the ASI Development Office.

Gifts of cash and checks exceeding \$3,000 per donor must be reported on a University Relations and Development Gift Transmittal form and deposited to the CSULB Foundation. Credit card gifts in excess of \$3,000 as well as credit card gifts received via the CSULB donation web page will be processed by the CSULB Foundation as well.

2.2 Gifts-in-Kind

Gifts-in-Kind (noncash gifts) will be accepted only when ASI can utilize the property in ASI's or a student organization's operations or when it is reasonably expected the gift can be converted into cash within a reasonable period of time. Gifts-in-kind must be reported to ASI on an ASI Gift-in-Kind Notification Form. Gifts-in-kind will only be accepted upon approval of the Executive Director or designee.

Gifts of real or personal property provided to ASI will be sold at the discretion of ASI, keeping in mind current market conditions and the potential use of the property in the accomplishment of ASI's mission. If an asset is sold within three years, ASI will file an IRS Form 8282, indicating the value received in the sale. This may have implications for the donor's initial charitable deduction, should the value be significantly different.

Associated expenses of a gift made to ASI are to be borne by the donor, unless waived by the Board of Control.

2.2.1 Valuation of Gifts-in-Kind

Donors are responsible for obtaining their own appraisals for tax purposes of real property or tangible or intangible personal property being given to ASI and for any fees or other expenses related to such appraisals. ASI retains the right to obtain its own qualified appraisals of real property or tangible or intangible personal property being offered as a gift at its own expense.

Gifts of real and personal property should be valued at their fair market value. Gifts-in-kind such as equipment and software shall be counted at their educational discount value which, for purposes of these standards of reporting, shall be deemed to be the fair market value.

For gifts less than \$5,000 in value, the donor must provide the following documentation:

- Indication of ownership
- Intent to donate
- Estimate of value – value for personal items should be the resale value (i.e.: thrift store value)

Such documentation is not required if the gift is accompanied by receipts or invoices, or the value is readily established (i.e. gift cards). Gifts without proper valuation may be accepted, but will be booked at the nominal value of \$1.00.

Donors of property gifts of over \$5,000 must obtain, in accordance with current tax law requirements, an appraisal by an independent third-party appraiser at no expense to ASI. Such gifts require ASI to sign an IRS Form 8283 which the donor will submit with his/her tax return. The form will identify the asset(s) donated, but will not assign a value.

To avoid conflicts of interest, the unauthorized practice of law, the rendering of investment advice, or the dissemination of income or estate tax advice, all donors of non-cash gifts must acknowledge that ASI is not acting as a professional advisor, rendering opinions on the gift. All information concerning gift planning from ASI is to be for illustrative purposes only and is not to be relied upon in individual circumstances. ASI may require a letter of understanding from a donor of a property gift, along with proof of outside advice being rendered, before such a gift will be accepted.

2.2.2 Encumbered Property

Property encumbered by a mortgage or other indebtedness cannot normally be accepted as a gift unless the donor agrees to assume all carrying costs until the property is liquidated, subject to the approval of the Executive Director. Exceptions to this guideline can be made by the Board of Control when the value of the property exceeds the anticipated exposure, or will produce income, or will be used by ASI in its programs.

2.3 Planned Gifts

The Executive Director in consultation with the Board of Control is authorized to enter into planned gift agreements on behalf of ASI and to execute all documents necessary or appropriate to consummate such agreements.

All receipts from unrestricted bequests, annuities, charitable remainder trusts, or charitable lead trusts shall become a part of ASI's general endowment, unless the Board of Control determines a particular unrestricted gift of the type enumerated in this paragraph should be deposited in a different account.

All gifts of life insurance must comply with applicable state insurance regulations, including insurable interest clauses.

3.0 Gift Refusal

Gifts will only be accepted where there is charitable intent on the part of the donor. ASI is unable to accept gifts that are overly restrictive in purpose. The most desirable gifts are those with the least restrictions, as unrestricted funds allow the organization to address its most pressing needs.

Unless the Board of Directors grants a specific exception, ASI will not accept any gifts that:

- 1) Contain a condition that requires any action on the part of the organization that is unacceptable to ASI or the university administration;
- 2) Contain a condition that the proceeds will be spent by ASI for the personal benefit of a named individual or individuals;
- 3) Require ASI to employ a specified person now or at a future date;
- 4) Inhibit ASI from seeking gifts from other donors;
- 5) Expose ASI to adverse publicity, litigation, or other liabilities;
- 6) Require undue expenditures, or involve ASI in unexpected responsibilities because of their source, conditions, or purpose; or
- 7) Involve unlawful discrimination based upon race, religion, gender, sexual orientation, age, national origin, color, disability, or any other basis prohibited by federal, state, and local laws
- 8) All gifts and gift consideration must meet all applicable local, state, and federal laws and regulations.

ASI reserves the right to decline any financial commitment, gift, or bequest that does not enhance, promote, and further the purpose of the Associated Students, Incorporated and the long-range financial viability of the organization. Likewise, ASI reserves the right to determine how a gift will be credited and/or recognized except as provided below.

4.0 Restricted and Unrestricted Gifts

Unrestricted gifts shall be encouraged unless (1) the donor indicates that he or she is willing to make a restricted gift only, (2) the option of a restricted gift will otherwise significantly increase the chances of obtaining a gift from the donor, or (3) the gift is solicited to address a specific need of ASI or the University.

In drafting instruments for the gift of restricted funds to ASI, or to any of its affiliated organizations, donors and their advisors shall be encouraged to use language that would permit application of the gift to a more general purpose if, in the opinion of the board, the designated purpose is no longer feasible.

All receipts from unrestricted bequests, annuities, charitable remainder trusts, or charitable lead trusts shall become a part of the General Endowment, unless the board determines a particular unrestricted gift of the type enumerated in this paragraph should be deposited in a different account.

5.0 Stewardship

ASI will be responsible for good stewardship toward its donors by following these guidelines:

- 1) All gifts will be acknowledged within a reasonable period of time.
- 2) All gift acknowledgment letters/receipts will be prepared by the Executive Director or his/her designee.
- 3) Gifts to ASI shall be reported to the CSULB Division of University Relations and Development in a manner specified by the university.
- 4) ASI will provide the contact of endowed and restricted scholarships with appropriate information about the recipients of said scholarship assistance.
- 5) Gifts to ASI and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition societies and/or an annual listing of donors. All donor requests for confidentiality will be honored.
- 6) Names of donors will not be provided by ASI to other organizations, nor will any lists be sold or given to other organizations. The only exception to this is the donor listing in an annual report.

5.1 Donor Recognition

For gifts deposited to the CSULB Foundation, the Division of University Relations and Development will mail an official, serially numbered receipt to all donors whose gifts are valued at less than \$125. Those donors making gifts in excess of \$125 will also receive a personal letter of acknowledgement as well as a serially numbered receipt. No other office of the University is authorized to produce gift receipts.

Departments and organizations are encouraged to send their own letters of acknowledgement as well. Copies of acknowledgement letters should be sent to the ASI Development Associate, USU-313. Acknowledgements MUST NOT include the estimated value of gifts of equipment and/or real property.

6.0 Donor Advice

Prospective donors shall be strongly encouraged in all cases to consult with their own independent legal and/or tax advisors about proposed gifts, including tax and estate planning implications of a gift. No representative of ASI shall provide legal or tax advice to any donor or prospective donor.

Upon request, representatives of ASI may provide to the donor sample bequest language for restricted and unrestricted gifts, to ensure that a bequest is properly designated.

Prospective donors shall be responsible for their own legal, accounting, appraisal, transportation, and other fees related to ASI.

7.0 Donor Confidentiality

All information about donors and prospective donors, including but not limited to their names, the names of their beneficiaries, the nature and amounts of their gifts, and the sizes of their estates will be kept strictly confidential by ASI and its representatives, unless the donor grants permission to release such information. All requests by donors for anonymity will be honored, except to the extent that ASI is legally required to disclose the identity of donors.

8.0 Fundraising Events

8.1 Fundraising Sales

All fundraising sales, including bake sales, t-shirt sales, and opportunity drawings must be conducted in accordance with Regulations VIII and IX of the CSULB Regulations for Campus Activities, Organizations, and the University Community. The Office of Student Life and Development can advise interested parties of the policies and procedures one must observe in order to schedule and conduct such activities on campus.

Funds raised through sales activities that are not financially supported by ASI may be deposited directly to an Agency Account. Proceeds from fundraising sales that are financially supported by ASI, either directly or indirectly, must be deposited to the budget area's revenue account.

It is the position of the Associated Students that the purchase of goods or services in connection with a fundraising sale is NOT a charitable contribution for which the buyer would qualify for a tax deduction.

8.2 Admission Charges (Ticket Sales)

Funds raised through ticket sales for events that are not financially supported by ASI may be deposited directly to an Agency Account. Proceeds from tickets sales for events that are financially supported by ASI must be deposited to the budget area's revenue account, unless the sponsor is a student organization. In these cases, proceeds MUST be deposited to an Agency Account.

Due to the complexity of current tax laws, it is the position of the Associated Students that admission charges to events are NOT charitable contributions for which the participant would qualify for a tax deduction.

8.3 Revenue Recording and Recognition

Funds generated through development activities that are financially supported by ASI must be accounted for and maintained in the sponsoring budget area's revenue accounts. Funds generated through activities that are NOT financially supported by ASI shall be accounted for and maintained using an Agency Account.

Deposits of revenue from fundraising activities must take place within two working days after funds are collected. Income from sales activities and admission charges may be deposited directly with the ASI Business Office, USU-220.

Expenses incurred in conjunction with a development activity should not be paid from cash proceeds. Payment of such expenses must be requested after cash has been deposited.

9.0 Off-Campus Solicitation

Pursuant to Long Beach Municipal Code 5.28, all organizations conducting solicitation activity off-campus in the City of Long Beach are required to obtain a Charitable Solicitation Permit. In order to obtain a permit, an organization must:

- Have Tax Exempt Status determination letters from both the IRS and the California Franchise Tax Board; and
- Be registered with the California Attorney General's Registry of Charitable Trusts.

All requests for Charitable Solicitation Permits by ASI-supported budget areas must be coordinated through the ASI Development Office. No organization or individual is authorized to utilize ASI's tax-exempt status for solicitation purposes without the written permission of the Executive Director or designee.

Budget areas wishing to conduct charitable solicitations in cities other than Long Beach are responsible for obtaining the necessary permit information and applications. These materials must be presented to the Development Associate for review at least thirty (30) working days before the date by which any application is due.

9.1 Solicitation by Student Organizations

By themselves, most student organizations do NOT meet the above requirements and are therefore prohibited from conducting solicitation activity off-campus in the City of Long Beach. The City of Long Beach will, however, permit student organizations to conduct development activities if they are acting under the authorization of the Associated Students, Incorporated.

To obtain ASI authorization, organizations must contact the Development Associate no later than thirty (30) working days before the date by which the Charitable Solicitation Permit application must be filed. Working with representatives of the organization, the Development Associate will complete and sign the application. The organization is then responsible for proper filing of the application with the Long Beach Police Department.

In exchange for this authorization, organizations must agree to the following:

- All funds received from the solicitation will be deposited to the organization's agency account(s) with the ASI Business Office.
- The ASI Business Office will maintain custody and accounting control of all funds raised and subsequently expended.
- The organization shall complete and file the "Report of Results of Activity Conducted for Charitable or Philanthropic Purposes" and submit it to the Development Associate.

Failure to comply with these conditions will result in the following:

- Cancellation of the solicitation permit;

- Reporting the cancellation to the Long Beach Police Department;
- Referral to the Office of Judicial Affairs.

10.0 Authority

Any exceptions to these Gift Acceptance Policies may be made only in exceptional circumstances, on an individual basis, and shall require the approval of the Board of Control.

These gift acceptance policies may be amended by the Board of Directors, upon recommendation from the Board of Control.

Forms

The following forms are to be used in the execution of this policy.

Form Name	Purpose	Responsible Office	Approved By	Timeline for Submission
ASI Gift in Kind Notification Form	To request the official acceptance by ASI of property, equipment, or other non-cash contributions for which the donor can claim a charitable contribution	Development Office	Executive Director	Approval must be obtained prior to the actual acceptance of the gift
Charitable Solicitation Proposal	To request approval for the solicitation of charitable contributions by an ASI department	Development Office	Development Associate	Approval must be obtained prior to the actual solicitation of contributions
Solicitation Sponsorship Request	To request ASI sponsorship of an off-campus fundraising event for which a City of Long Beach Solicitation Permit is required	Development Office	Executive Director	Submit at least thirty (30) calendar days prior to the date on which the city's application is due
Student Organization Gift Record	To report the receipt of a cash gift by a student organization.	A.S. Business Office		Must be submitted whenever a cash gift is deposited at the A.S. Business Office