



Applies to: Faculty, staff, and donors of Central Ohio Technical College

Responsible Office

Advancement Office

POLICY STATEMENT

Generous donors support the students, faculty, staff, programs, and facilities that enable Central Ohio Technical College to meet the technical education and training needs of students and employers in its service area. The college is committed to maintaining the highest levels of stewardship in handling **gifts** to and for its benefit. This policy governs the types of gifts the college may accept, as well as how and by whom proposed gifts will be evaluated and processed.

Purpose of the Policy

To maintain the highest levels of stewardship, to ensure all gifts further the college’s mission, and to comply with state and federal laws and reporting requirements.

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Definitions

| Term | Definition |
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| Contract | An agreement between the college and another party wherein the college agrees to provide specific goods or services in exchange for compensation. Contracts are not gifts or philanthropic grants. |
| Endowment funds | Funds that are invested and have been permanently restricted by the donor to be used in perpetuity, with annual distributions to be used as prescribed by the donor. |
| Gift | An irrevocable transfer of personal property (e.g., cash, securities, books, equipment) or real property (e.g., land, buildings) by a donor, either outright or through a planned/deferred gift vehicle, for the charitable purpose designated by the donor and without expectation of a tangible or direct economic benefit to the donor, with the exception of tax benefits and life income in the case of planned/deferred gifts. A gift implies no responsibility to provide the donor with a product, service, technical or scientific report, or intellectual property. This policy divides gifts into three types: complex gifts, outright gifts, and planned/deferred gifts. |
| Complex gifts | Gifts that require special review and consideration before the college will agree to accept such gifts. |
| Gift in Kind / tangible personal property | Any gift of property that is not real property, including, but not limited to, art, automobiles, books, computers, food for an event, machinery, medical equipment, and intellectual property. |
| IRA charitable rollover | A transfer of funds from a donor’s traditional or Roth IRA account directly to the college. Also referred to as a “qualified charitable distribution.” |



Gift Acceptance, 1.1.27

College Policy

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| Term | Definition |
|----------------------------|--|
| Real property | Any undeveloped or developed land as well as the property attached directly to such land, including both residential and commercial property (e.g., family homes, condominiums, apartment or commercial buildings, farms, and oil and gas interests). |
| Outright gifts | Gifts that do not require special handling by the college and are processed by the Advancement Office without further consultation. |
| Cash | Banknotes, coins, checks, credit card payments, money orders, bank drafts, payroll deductions, electronic funds or wire transfers, and any other ready money equivalent. Cash gifts do not include any form of alternative currency (including cryptocurrency such as Bitcoin) that cannot be easily and immediately redeemed for cash. |
| Donor-Advised Fund | A charitable giving vehicle maintained by a public charity that allows a donor to make a contribution to that charity and receive an immediate tax deduction, and then recommend grants over time to any IRS-qualified public charity, including the college. |
| Matching gift | A gift that is made contingent on another donor's gift. Matching gifts are generally made by companies that agree to match gifts made by that company's employees, officers and/or directors. |
| Philanthropic grant | The voluntary transfer of money, services, or property from a donor organization to support a particular college project that is generally an award received as the result of a written proposal. There is oftentimes a requirement that an accounting and/or report will be provided to the donor at the end of the project, but the donor has no expectation of receiving a direct economic benefit or the return of any goods or services in exchange for a philanthropic grant. Philanthropic grants do not normally require a detailed budget be provided to the grantor, or detailed terms and conditions governing the expenditure of the granted funds or ownership of intellectual property, or involve work with human or animal subjects (grants with these types of requirements are generally sponsored research project grants). |
| Publicly traded securities | Any equity security traded on a national securities exchange. |
| Qualified sponsorship | Any payment of money, transfer of property, or performance of services by a company ("sponsor") where there is no arrangement or expectation that the sponsor will receive any substantial return benefit, other than the use or acknowledgement of the name or logo (or product lines) of the sponsor's trade or business. Sponsors may be corporations or other organizations that wish to sponsor a college event or initiative, such as a speaker series. |
| Planned / deferred gifts | Gifts that represent a donor's present decision to make a future gift, as evidenced through a written gift instrument. |
| Bequest | A gift from a donor's estate that is made by including language in the donor's will or living trust indicating that the donor wishes to leave a portion of their estate to the college. Bequests may be made for a specific amount, a percentage of the donor's estate, or for all or a portion of what is left after other bequests have been made. |
| Life insurance policies | Contracts with insurance companies that, in exchange for premium payments, provide a lumpsum payment to named beneficiaries upon the insured's death. |
| Pledge | A good faith commitment to make a gift to the college, as evidenced through a written gift instrument. |
| Retirement plan assets | Funds held in retirement savings accounts, such as 401(k), 403(b), IRA and other qualified retirement plans. |

Policy Details

- I. Scope of Policy. This policy applies to gifts, including **outright gifts, complex gifts, and planned/deferred gifts**, made to the college in furtherance of its charitable and educational purposes.
- II. General Provisions
 - A. **Endowment Funds.** Gifts that meet minimum endowment funding levels of \$25,000 may be endowed by the donor for use in perpetuity.
 - B. **Naming Guidelines.** Certain gifts may be recognized through the naming of academic entities and physical spaces, subject to approval by the college president.

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- C. Donor Recognition. Appropriate recognition in any donor recognition societies, including, but not limited to the 1971 Legacy Society, may be extended to donors, unless declined in writing by a donor. Any such recognition will be at the college's discretion and subject to college policy or guidelines.
 - D. Donor Confidentiality. The college is proud of the gifts it receives and often times will share news of a gift with the college's Office of Marketing and Public Relations for inclusion in publications, website announcements and other media sources, or will publicly acknowledge a donor by name. Donors who wish their gifts to be anonymous or do not want any such recognition must notify the college in writing and all such donor records will be kept confidential to the extent allowed by law. Ohio law requires the college to release donors' names as well as the date, amount and terms of gifts if a public records request is received asking for such information.
 - E. Donor Obligations. The college will not provide legal or tax advice to donors, nor can the college guarantee whether any particular gift will be deductible for a particular donor. Donors are encouraged to seek such advice from their own counsel and professional consultants so that they are fully aware of all potential advantages or disadvantages of any particular gift as well as any documentation or reporting obligations that may be required of the donor (e.g., qualified appraisal or IRS Form 8283).
 - F. Donor Control. In order to ensure the deductibility of donors' gifts as well as comply with laws and ethical standards, gifts may not be controlled by a donor nor may a donor personally benefit from a gift or have a role in influencing expenditures. All expenditures are made in accordance with the Expenditures policy. Donors may restrict gifts for a particular use or program, but may not control how the gift is used.
 - G. Fees. Subject to the discretion of the college's board of trustees, fees may be assessed against gifts and grants, or the income thereof.
- III. Conflict of Interest. Gifts will not be accepted by the college if they would create a conflict of interest under any applicable college policy or Ohio Ethics Law.
- IV. Outright Gifts. Outright gifts do not require special handling by the college and may be processed by the Advancement Office without further consultation. All outright gifts will be received and acknowledged by the college in a timely manner.
- V. Complex Gifts. Complex gifts require special review and consideration before the college will agree to accept such gifts. The college will generally only accept gifts if: (i) the time and cost of handling the gift is not disproportionate to its expected value, (ii) the gift does not expose the college to excessive liability, and (iii) the college's prospects for realizing **cash** from the asset are not distant or disproportionate to the current costs of holding the asset.
- VI. Planned/Deferred Gifts. Planned/deferred gifts represent a donor's present decision to make a future gift, as evidenced through a written gift instrument. All planned/deferred gifts require confirmation of the gift through a gift agreement, commitment form, or other documentation from the donor. The college may renounce or disclaim a gift that flows through estate documents for any reason, including illiquidity, lack of marketability, holding costs, liability exposure, and unacceptable gift restrictions.
- VII. Gift Receipts
- A. The Advancement Office will provide gift receipts when required, which will include, at a minimum, all information required by the IRS in order for donors to claim a tax deduction for their gifts.
 - B. The college will not provide gift receipts for contributions of personal or volunteer services, software licenses, partial interests in property (e.g., use of property or facilities, such as hotel rooms, time shares, beach houses, and rounds of golf), free advertising or promotion of the college, or pledges. However, the college may, at its discretion, provide certain recognition for such contributions.

PROCEDURE

- I. Documentation. All gifts, including outright gifts, complex gifts, and planned/deferred gifts, must be documented through a written gift instrument (e.g., gift agreement, memorandum of understanding, check, commitment form, online form, or other written documentation) that includes: (i) a description of the gift; (ii) any donor restrictions on the use of the funds; (iii) whether the funds are endowed or for current use; and (iv)

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any other information necessary to fully document the donor's wishes (e.g., whether the donor wishes to be acknowledged by name or not). Documentation and acceptance procedures are detailed in the sections below.

- II. **Charitable Restrictions.** Whether the funds are to be used at the discretion of a particular program, or for something more specific, the Advancement Office must work closely with the donor to craft a clear statement outlining how the donor's gift may be used. Especially in regards to endowed funds, consideration must be paid to the possibility of changed circumstances over time and flexibility should be built into any restrictions. The college will not accept a gift that is restricted for any unlawful purpose or purpose that is contrary to the policies of the college, or that allows the donor to derive personal benefit from the gift.
- III. **Endowment Funds.** Endowment funds are invested in the college's long term investments, and annual distributions are made according to the Long Term Investment policy, each as amended from time to time. Exceptions to minimum endowment funding levels may be permitted for certain estate gifts upon the recommendation of the director of advancement in consultation with the vice president of business and finance.
- IV. **Acceptance Procedures for Outright Gifts**
 - A. **Cash**
 1. The Advancement Office may receive cash gifts and will issue receipts to donors for such gifts without further review or consultation. Cash gifts received in other departments must be directed to the Advancement Office.
 2. Cash gifts are valued at their face value.
 - B. **Publicly Traded Securities**
 1. The Advancement Office may provide donors with transfer instructions, or direct donors' brokers to contact the Business and Finance Office for transfer instructions.
 2. Publicly traded securities are valued at their fair market value on the date they are received in the college's brokerage account (the "Valuation Date"). The fair market value is the average of the highest and lowest quoted selling price of the securities on the Valuation Date. If there were no sales on the Valuation Date, the fair market value will be determined by taking the weighted average of the highest and lowest sales on the nearest date before and the nearest date after the Valuation Date, within a reasonable period.
 3. The Advancement Office may receive gifts of publicly traded securities and will issue receipts to donors for such gifts without further review or consultation.
 4. The Advancement Office will notify the Business and Finance Office of all gifts of publicly traded securities, and transfer any stock certificates to the Business and Finance Office as soon as practicable. The Business and Finance Office, at its sole discretion, will sell such gifts as soon as practical, taking into account liquidity, daily volume, and transaction processing.
 - C. **Gifts from Donor-Advised Funds**
 1. The Advancement Office may receive donor-advised fund gifts without further review or consultation. Donor receipts are not required.
 2. Gifts from donor-advised funds are valued at their face value as of the date of the gift.
 3. Pursuant to IRS rules, the donor-advised fund advisor(s) may receive no more than an incidental benefit from any donor-advised fund gift.
 - D. **Qualified Sponsorships**
 1. Qualified sponsorships will be evaluated on a case-by-case basis by the Advancement Office.
 2. A qualified sponsorship will be valued at its face value. If any benefits are provided to the sponsor, other than qualified sponsorship recognition, the value of the sponsorship amount will be reduced by the value of return benefits provided to the sponsor.
 3. Sponsor recognition may include use or acknowledgment of the sponsor's name, logo, website, or product lines, but may not include advertising (i.e., identifying the sponsor's products or services through messages that contain qualitative or comparative language, price information, or other indications of savings or value, endorsements, or inducements to purchase, sell, or use the sponsor's products or services).
 - E. **Matching Gifts**



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1. The Advancement Office may receive and acknowledge matching gifts without further review or consultation, and may verify matching gift claims.
2. Matching gifts are valued at face value.
3. Unless otherwise indicated by the matching donor, matching gifts will follow the designation of the matched donor's gift.
4. For company matched gifts, it is the responsibility of the individual donor to request a matching gift from the company; such gifts are credited to the individual donors for recognition purposes, including meeting minimum endowment funding levels.

V. Acceptance Procedures for Complex Gifts

A. Gifts in Kind/Tangible Personal Property

1. Gifts in kind will be evaluated on a case-by-case basis.
2. The college may accept a gift in kind only when it intends to retain and use the gift in furtherance of the college's charitable and educational purposes, provided the cost and risk of accepting the gift do not outweigh the benefit of accepting the gift.
3. The Advancement Office, with approval of the president of the college and the vice president of business and finance, may accept gifts in kind.
4. Gifts in kind may be valued based on the donor's appraisal or the value declared by the donor (a copy of either a paid bill of sale or invoice and a copy of a check or credit card statement showing payment is recommended). This value will be used for the college's recording purposes only; it will not be used for donor deductibility purposes.
5. Donors should be advised of their responsibility to complete IRS Form 8283, *Noncash Charitable Contributions*. The Advancement Office will complete the donee acknowledgement section of a completed IRS Form 8283.
6. The Advancement Office should inform donors that the college may choose to sell or dispose of the property, and that any sale or disposition occurring within three years of the date of the gift will be reported to the IRS on Form 8282, *Donee Information Return*.

B. Real Property

1. Gifts of real property will be evaluated for recommendation of acceptance on a case-by-case basis by the Advancement Office, with assistance from the president of the college and the vice president of business and finance. In general, if real property is accepted with the intent to sell the property, it will be received and acknowledged by the college upon the approval of the president, vice president of business and finance, and board of trustees.
2. If real property is accepted with the intent to retain the property for use by the college, it will be received and acknowledged by the college upon the approval of the president, vice president of business and finance, and board of trustees.
3. Donors of gifts of real property must secure a qualified appraisal at their expense. If an appraisal is not provided, the gift will be recorded at \$1.00 and the value will be adjusted when the appraisal is provided or the property is sold. The college may choose to secure an additional appraisal, but any such appraisal may not be used by the donor for purposes of their tax returns or otherwise.
4. The Advancement Office must contact the vice president of business and finance and president as soon as reasonably possible whenever there is a proposed gift of real property.
5. The Advancement Office will work with the Business and Finance Office to conduct the due diligence necessary to determine whether or not to recommend that the property be accepted.
 - a. Required due diligence before accepting real property includes, but is not limited to: (i) a site visit; (ii) determination of market value and marketability of the property; (iii) review of environmental risks, including securing Phase I and Phase II Environmental Site Assessments, as needed; (iv) title search; (v) survey; (vi) appraisal; (vii) review of all carrying costs associated with the property; (viii) preparation and review of a financial plan detailing all costs associated with accepting and selling the property or accepting and retaining the property; and (ix) any other information or documentation

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necessary for the college to make a fully informed decision about the potential risks and benefits of accepting any particular property.

- b. The costs associated with completing the required due diligence, including the cost of securing a survey or required environmental assessments, for example, may be paid by the donor or the college.
6. Bargain sales (i.e., purchasing an asset from a donor for less than fair market value) will only be considered if the college intends to retain the property for its use. The college will not consider bargain sales that would require the college to accept property subject to outstanding debt.
7. Donors should be advised of their responsibility to complete IRS Form 8283, *Noncash Charitable Contributions*. The Advancement Office will complete the donee acknowledgement section of a completed IRS Form 8283.
8. The Advancement Office should inform donors that the college may choose to sell or dispose of the property, and that any sale or disposition occurring within three years of the date of the gift will be reported to the IRS on Form 8282, *Donee Information Return*.

D. IRA Charitable Rollover

1. IRA charitable rollovers will be received and acknowledged by the college.
2. Under current law, if a donor is age 70½ or older on the date of the gift, the donor is permitted to transfer up to \$105,000 a year from their IRA to the college without recognizing the distribution as taxable income.
3. IRA charitable rollovers will be valued at their face value as of the date of transfer.
4. Donors may designate the area at the college that they wish the rollover to support.
5. IRS rules prohibit donors from receiving any benefits in return for IRA charitable rollovers, including membership in donor societies.
6. The Advancement Office will provide donors with a gift acknowledgment letter from the college that states the gift qualifies as a qualified charitable distribution from an IRA and no tax deduction is available.

VI. Acceptance Procedures for Planned/Deferred Gifts

A. Bequests

1. Donors may designate the college as the beneficiary of a bequest in their estate planning documents.
2. The Advancement Office should work with the donor to develop a gift agreement or other written documentation outlining the donor's wishes for the future gift.
3. Bequests will be valued based on the underlying gift type (e.g., cash, publicly traded securities, or real property).
4. The Advancement Office will provide suggested estate planning language for the donor and their advisors to review and consider.
5. If possible, the Advancement Office should obtain a copy of the portion of the donor's estate planning document naming the college as beneficiary.
6. Bequest distributions are handled by Advancement Office, in consultation with the Business and Finance Office. Any correspondence must be immediately directed to the Advancement Office.

B. Retirement Plan Assets

1. Donors may designate the college as the beneficiary of their retirement plans on their retirement plans' beneficiary designation forms.
2. The Advancement Office must work with the donor to develop a gift agreement or other written documentation outlining the donor's wishes.
3. Retirement plans will be valued at face value at time of transfer.
4. If possible, the Advancement Office should obtain a copy of the portion of the donor's beneficiary designation form naming the college as a beneficiary.

C. Life Insurance Policies

1. Donors may make a gift of life insurance to the college.
2. Life insurance policies with outstanding premiums will be valued at the lesser of the policy's fair market value or the donor's cost basis. Fully "paid up" policies will be valued at the lesser of the donor's cost basis or the policy's replacement cost.



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3. A life insurance policy will be accepted only if it is an irrevocable policy and complete ownership and control is transferred to the college.
4. The policy must be a whole or universal life policy with a death benefit of no less than \$100,000.
5. The policy must be a first or second to die policy.
6. The policy must be “paid up” or the donor must agree to pay no less than the minimum level of annual premium required to keep the policy in full force and effect to maturity, as periodically determined by the college’s in-force review of the policy.
7. If the policy is in existence when gifted, the policy may not have any outstanding loans as of the date of the gift.
8. There must be a fully signed insurance gift agreement, a copy of which must be on file with the Advancement Office, which includes, at a minimum: (i) the college’s acknowledgement of ownership of the policy and (ii) the right of the college to cash in the policy.
9. If the donor does not pay the required premiums to keep the policy in full force, the policy may be surrendered and the donor’s recognition will be decreased to the surrender value of the policy.
10. Donors may name the college as a primary or contingent beneficiary of life insurance policies they own, including term policies, which will not be counted as a gift until the money is received. Such policies should be confirmed with written documentation and will be counted as revocable bequests. If possible, the Advancement Office should obtain a copy of the portion of the donor’s beneficiary designation form naming the college as a beneficiary.

D. Pledges

1. Pledges will be received and acknowledged by the college.
2. Pledges must be documented with a gift agreement, memorandum of understanding, or other written gift instrument that includes the terms and length of the pledge. Pledges resulting from the online giving site are exempt from the written agreement requirement because these pledges typically do not have special restrictions or stewardship requirements.
3. A pledge payment period will be no longer than five years, unless an exception is made by the director of advancement or his/her designee.
4. Pledges are recorded electronically and are set up with automatic reminder schedules accordingly.
5. Pledge payments for an endowment pledge will be held in a pending endowment fund until at least the minimum endowment funding level is received. No expenditures will be made from pending endowment funds.
6. If a pledge intended to meet a minimum endowment funding requirement is not fully realized during the pledge period, the fund will be converted to a current use fund.
7. Pledges will not qualify a donor for certain recognition societies or programs. However, the college recognizes pledges when considering a donor’s total lifetime giving.

VII. Exceptions. Exceptions to this policy or unresolved issues will be considered on a case-by-case basis by the director of advancement, who will make a decision to accept, reject, or escalate the gift discussion, in consultation with the president of the college and vice president of business and finance, as appropriate.

Responsibilities

| Position or Office | Responsibilities |
|--------------------|--|
| Advancement Office | <ol style="list-style-type: none"> 1. Work with donor to understand and document how a gift may be used. 2. Create and manage gift agreements, memoranda of understanding, or other written gift documentation. 3. Receive gifts and issue receipts to donors. 4. Provide donors with transfer instructions for gifts of publicly traded securities, notify the Business and Finance Office of gifts of publicly traded securities, and transfer any stock certificates to the Business and Finance Office. 5. Evaluate qualified sponsorships on a case-by-case basis. |



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| Position or Office | Responsibilities |
|--|--|
| | <ol style="list-style-type: none"> Accept gifts in kind after approval from the president of the college and the vice president of business and finance. Complete donee acknowledgment section of a completed IRS Form 8283. Contact the president of the college and the vice president of business and finance as soon as reasonably possible when there is a proposed gift of real property, and work with the Business and Finance Office to conduct due diligence. Inform donors who provide gifts in kind or gifts of real property that the college may choose to sell or dispose of the property. Contact the Business and Finance Office regarding proposed gifts of restricted securities or other business interests, and work with the Business and Finance Office to conduct due diligence. Provide donors with gift acknowledgment letters for IRA charitable rollovers. Contact the Business and Finance Office as soon as reasonably possible whenever there is a proposed complex gift or planned/deferred gift, and work with the donor to appropriately document such gift. Provide suggested estate planning language for the donor and advisors to consider. Handle bequest distributions, in consultation with the Business and Finance Office. |
| Business and Finance Office | <ol style="list-style-type: none"> Sell gifts of publicly traded securities as soon as practical. Conduct due diligence and make recommendations about proposed gifts of real property. Conduct due diligence and make recommendations about proposed gifts of restricted securities or other business interests, and if accepted, attempt to sell the securities or other business interests as soon as practical. Assist with bequest distributions, as needed. |
| Director of Advancement | <ol style="list-style-type: none"> Evaluate and approve exceptions to minimum endowment funding levels for certain estate gifts, in consultation with the vice president of business and finance, when necessary. Evaluate and approve exceptions to the five-year pledge period, when necessary. Evaluate exceptions to this policy in consultation with the president of the college and vice president of business and finance, as appropriate. |
| Vice President of Business and Finance | <ol style="list-style-type: none"> Evaluate and approve exceptions to minimum endowment funding levels for certain estate gifts, in consultation with the director of advancement, when necessary. Evaluate and approve gifts in kind. Evaluate and approve gifts of real property. Evaluate exceptions to this policy in consultation with the director of advancement and the president of the college, as appropriate. |
| President of the College | <ol style="list-style-type: none"> Evaluate and approve namings of academic entities and physical spaces. Evaluate and approve gifts in kind. Evaluate and approve gifts of real property. Evaluate exceptions to this policy in consultation with the director of advancement and the vice president of business and finance, as appropriate. |
| Board of Trustees | <ol style="list-style-type: none"> Evaluate and approve gifts of real property. |

Resources

College Policies

Expenditures, 3.1.01, https://www.cotc.edu/sites/main/files/fileattachments/3.1.01_cotc_expenditure_policy.pdf?1712335156

Additional Guidance and Forms

Give to COTC, <https://www.cotc.edu/give-cotc-0>

Make a Gift, <https://cotc.elluciancrmadvantage.com/giftportal/Default>

1971 Legacy Society, <https://www.cotc.edu/1971-legacy-society>



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Contacts

| Subject | Office | Telephone | E-mail/URL |
|--|--------------------|--------------|-------------------|
| Outright Gifts, Endowed Gifts, Complex Gifts, Planned/Deferred Gifts | Advancement Office | 740-366-9135 | manno.18@cotc.edu |

History

Issued: 10/02/2024

Approved: 10/02/2024