

 Prescott College	Policy Number: 920	
	Policy Category: <i>Advancement</i>	
	Advancement	
	Policy Summary: <i>This policy describes the conditions for acceptance of gifts.</i>	
	Approval Date: 11/4/22	Effective Date: 11/4/22
Policy Owner: <i>Vice President, Advancement</i>	Scheduled for Review: <i>Fall 2027</i>	

Policy Statement

With respect to donations to be made to Prescott College, Inc. (the “College”), employees, trustees, and agents of the College shall inform donors regarding opportunities to support the College’s activities but shall never pressure prospective donors.

At the written request of donors and prospective donors and to the extent permitted by law, all information concerning donors and prospective donors shall be held in strict confidence by the employees, trustees, and agents of the College. Except for legally authorized and enforceable requests for information by government agencies and courts, all other requests for information concerning a donor or prospective donor will be honored only if written permission is obtained from the donor or prospective donor prior to the release of such information.

Persons acting on behalf of the College should advise the donor or prospective donor:

- a. to discuss the proposed gift with the donor’s legal and/or tax advisors at the donor’s expense. This is to ensure that the donor receives a full, accurate and independent explanation of all aspects of the proposed charitable gift.
- b. that it is the donor’s responsibility to obtain any necessary appraisals, file appropriate personal tax returns, and defend against any challenges to claims for tax benefits.

The President, Vice President of Advancement, and consultants retained by the College with respect to charitable donations are authorized to negotiate gift agreements with prospective donors but all agreements must be executed by the President or such other individual authorized by a resolution of the Board of Trustees (an “Authorized Representative”); provided, however, that except as specified herein, any gift in excess of \$25,000 shall be approved by the Development Committee of the Board of Trustees (the “Development Committee”) prior to execution on behalf of the College.

Purpose of Gifts

The purposes of all gifts must relate to the mission of the College. The purpose of the gift , the procedures and requirements for its administration, and the sunset of the expectations when feasible, shall be defined in a gift agreement signed by the donor and accepted by the College in accordance with the preceding paragraph.

Designations and Restrictions of Gifts

Gifts that are undesignated by the donor are considered to be “Unrestricted” and will be generally added to operational purposes as deemed appropriate by the President and/or Development Committee in accordance with the “Windfall” section below.

Gifts that are designated by the donor for a particular purpose and where the entirety of the gift must be expended for that purpose are considered to be “Temporarily Restricted” and shall be accounted for and managed consistent with this and other College policies, applicable accounting standards, and federal and Arizona law. Temporarily Restricted gifts shall be for the College’s programs, scholarships or capital needs. Any restriction that creates or materially expands programs or otherwise requires a modification to a College campus shall be approved by the Development Committee prior to acceptance by the President or the Authorized Representative on behalf of the College.

Gifts that are designated for a particular purpose but where only the earnings from the investment of the corpus of the gift may be expended for that purpose are considered to be “Permanently Restricted,” otherwise known as “Endowment,” gifts and shall be accounted for and managed consistent with this and other College policies, applicable accounting standards, and federal and Arizona law.

Endowments

The College has established an Endowment, and within the Endowment, the College has identified the following funds:

1. General Endowment
2. Scholarship
3. Endowed Chairs
4. Buildings & Campus
5. Professional Development
6. Academic Programs & Library

Designations of gifts in any amounts for addition to any of these established funds requires no approval of the Development Committee unless such gift restriction creates or materially expands programs or otherwise requires a modification to a College campus.

Named Endowment funds may be established with a required minimum gift of \$25,000, including matching funds subject to approval by the Development Committee and the President. The following provisions apply to such named Endowment funds:

1. A gift agreement between the donor and the College will be executed by the President or an Authorized Representative to describe the uses and purposes of the named fund
2. The corpus of Endowment gifts will be maintained in perpetuity to the extent required by law
3. Income from named Endowment funds may be designated by the donor as Unrestricted as described in the gift agreement.
4. Annual reports will be sent to donors, including the amount and use of distributions from the named fund.

Naming Opportunities

The College recognizes that as private philanthropy plays a more critical role in the infrastructure needs of the campus, naming opportunities will surface. Naming opportunities will not be given for a gift less than 30% of estimated acquisition and/or construction costs of the infrastructure project proposed to be named. If a name currently exists on proposed structure, the College's Advancement Office will present the reasons and procedures for seeking to rename the structure to the Development Committee. If a building proposed to be named is not a construction or improvement project, the President and the Development Committee will be consulted to determine the gift amount or criteria that would rename the building.

The following naming opportunities may be considered:

1. Buildings, parts of buildings, facilities or other physical infrastructure
2. Common spaces and green spaces
3. Programs, scholarships, and Endowments
4. Other suitable projects

The Development Committee will vet proposals for any conflicts with prospective proposed or offered philanthropic naming, as well as family/organizational intent and support, as needed. All named projects must be approved by the Board of Trustees.

Commemorative Naming (a naming without a gift attached)

Buildings can also be named to recognize meritorious service to the College and will be acknowledged as commemorative naming. Additionally, the College may wish to honor individuals, families, corporations, foundations, nonprofit organizations, and other donors without an accompanying gift as commemorative naming.

In these situations, appropriate criteria for a commemorative naming should recognize:

1. The mission and values of the College
2. Exceptional service or support of lasting value to the College
3. A distinguished relationship with the College, particularly those that advance the reputation or have provided meritorious contributions to the College (e.g., remarkable academic, research or leadership contributions)

The Development Committee will review commemorative naming proposals for precedent, appropriateness, consistency, and significance. Individuals wishing to honor a person through commemorative naming must submit a written request to the Advancement Office. All named projects must be approved by the Board of Trustees.

All naming opportunities whether gift related, or commemorative will be evidenced by a memorandum of understanding which must include the length of naming circumstances, when the naming may sunset or reasons for revocation of the naming opportunity.

Planned Gifts

Planned and testamentary gift types include bequests, charitable gift annuities, charitable remainder trusts, charitable lead trusts, retained life estates, gifts of life insurance or retirement assets, interest in business entities such as partnerships or closely held stock, and such other gift arrangements as the Development Committee or the President may from time to time approve. The Development

Committee reserves the right to determine if gifts have long term implications or contractual obligations and deny if they determine they are not in the best interest of the College.

All planned gifts must be accompanied by a gift agreement signed by the President. All planned giving agreements requiring execution by the College shall first be reviewed and approved by the College's legal counsel unless the form of agreement has been previously approved by legal counsel.

Windfall

When a donor does not specify a restriction, the President will seek the guidance of the Development Committee in allocating these funds to meet the greatest need within the College. Windfall gifts under \$25,000 will automatically be Unrestricted unless otherwise designated by the President.

Donor Recognition

The College places great value on recognizing and showing appreciation to donors for their generosity. In addition to providing naming rights, other methods of recognition may be utilized such as signage, plaques, displays or other physical installations. Recognition must be equitable and consistent based on gift type, amount, designation and adherence to College policies. All donor recognition strategies will be led by the Development Committee.

Conflict

In the event of a conflict between this policy and any other written policy applicable to advancement, this policy will control unless the Board of Trustees adopts a resolution to the contrary.

Reason for Policy

To lay out the conditions for various types of gifts to Prescott College.

Responsibilities

For following policy:	All employees
For enforcement of policy:	Vice President, Advancement
For oversight of policy:	Vice President, Advancement
For procedures implementing the policy:	Vice President, Advancement
For notification:	Policy Librarian

Revision History

This policy replaces:
431 – Gift Acceptance 05/29/2008
432 – Gift Windfall Allocation 05/29/2008
433 – Endowment 05/29/2008