SECTION 22 – GIFTS PROCESSING

Policy Sequence 22-000
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Introduction

The California State University, Long Beach Foundation is a nonprofit 501 (c)(3) IRC tax exempt corporation, which accepts donations for university-related use and may provide tax advantages to the donor.

PLEASE NOTE: All policies and procedures set up by the Division of University Relations and Development and each College must be followed before cash donations or gifts are solicited to avoid duplicate solicitations, incorrect handling of tax and legal matters, and ultimately embarrassment to the University. Please refer to University Relations & Development for more information on policies and procedures.

Overview of Services

Policy # 22-000.1

The Foundation Gift Processing Department is charged with processing donations made to the CSULB Foundation, recording those donations into the University Development database and generating “Acknowledgment of Receipt” forms. The Foundation accepts a variety of gifts types including donations of cash (currency, coin, check, money order, electronic wire transfer and credit card), marketable securities, life insurance policies, and various deferred giving vehicles (see Estate Planning and Gift Policy, Section 21). In-Kind donations (donations of tangible goods, equipment, computer software or other such property), with some exceptions, are generally accepted through the Division of University Relations and Development.

Donation Processing

Policy # 22-010.0

The following procedures are designed to ensure the proper and timely processing, recording and acknowledging of charitable contributions donated to California State University, Long Beach Foundation.

Donations Received at the Project Site

Policy # 22-010.1

Donations received at the project site must be deposited at the Foundation in accordance with the Foundation’s cash receipts policy (see Cash Receipts Policy, Section 11). Immediately upon receipt of donations at the project site, project staff should endorse all checks with the United California Bank (Bank of the West) stamp. Endorsement stamps may be obtained by request from the Foundation cashier. All donations are to be deposited the same day as received. The donation must be deposited into an account that is consistent with the donor’s intended purpose for the donation. To ensure proper and timely processing, recording and acknowledgement of donations, the following information must be provided as supporting documentation when depositing donation to the CSULB Foundation: (see Appendix A this section, Donation Information Supplement).

1. Donor’s name and address, including name of a contact person if a corporate donation.
2. Designated purpose of the gift and all documentation supporting the donation including copies of donor correspondences and envelopes.
3. A brief description of any restrictions assigned to the donation by the donor. If applicable, attach all supporting documentation to the deposit transmittal.
4. The name of any person in whose honor or memory the donation is being made.
5. A statement showing a good faith estimate as to the fair market value of any goods or services provided to the donor in exchange for the charitable contribution, if applicable. (See Quid Pro Quo Donations, policy # 22-035.1).
6. Finally, all original employer matching gift forms pertaining to the donation must be submitted to the Foundation. These forms are completed and submitted to the matching company by Foundation (please see Employer Matching Gift Donations, policy #22-025.1).
Donations Mailed Directly to the Foundation  

Policy # 22-010.2

Donations should be made payable to the CSULB Foundation and sent to:

CSULB Foundation  
6300 State University Drive  
Suite 332  
Long Beach, CA 90815

A letter or note stating any restrictions applicable to the donation should be included.

When donations are mailed directly to the Foundation, Gift Processing staff will notify the Project Directors of donations to their projects.

DONORS SHOULD NEVER SEND CASH THROUGH THE MAIL. DONATIONS OF HARD CURRENCY SHOULD BE MADE IN PERSON TO THE FOUNDATION CASHIER.

Annual Fund Donations  

Policy # 22-015.1

The Annual Fund is an on campus mail and phone solicitation program that garners both unrestricted and restricted gifts from alumni and parents. These donations are usually mailed directly to the Foundation by the donor and are usually in the form of checks or charge authorization. In the case of an Annual Fund donation restricted to a specific department, an Annual Fund Restricted Gift Report and a copy of the deposit transmittal (completed by the Gifts Processing Department) is sent to the Project Director. This report notifies the department of the gift and gives the recipient department the opportunity to acknowledge their donors as well.

On-line Donations  

Policy # 22-020.1

On-line donations may be made via credit card by accessing the University website at http://www.csulb.edu, the Foundation website at http://www.foundation.csulb.edu or through https://karl.papubs.csulb.edu/giving/index.cfm. On-line donations can be made through Visa, MasterCard, and American Express.

Employer Matching Gift Donations  

Policy # 22-025.1

Donations generated through corporate matching gift programs are an important source of funds for educational institutions and are a way in which an employee may direct a portion of monies earmarked for charitable contributions. Donors should be encouraged to check with their place of employment to ascertain if their employer has a matching gift program. A list of Matching Gift Companies with their respective eligibility requirements is available through the Gift Processing Department. Questions regarding employee-matching gifts should be addressed to University Relations & Development.

Most companies with matching gift programs utilize a matching gift application form. These forms are usually available online at the company website or from the Human Resource Department. The donor should complete the “Donor/Employee” section of the form and submit the form to the Foundation (see address above). Donations received with matching gift application forms are processed in accordance with the matching gifts procedures. Employers typically have internal procedures for matching gift application forms.

The Foundation Gift Processing Department will verify the donation and complete the “Recipient Organization” section of the form. The form is then signed by the Foundation Associate Executive Director/Chief Financial Officer and mailed to the matching gift company for processing. Only the Foundation Associate Executive Director/Chief Financial Officer is authorized to sign matching gift application forms. Project Directors and staff are not authorized to sign matching gift application forms.
Once Gift Processing receives the matching gift funds, they are deposited into the same project as the original gift unless instructions in writing to the contrary are received from the donor. Please direct any questions regarding matching gift donations to the Foundation Gift Processing Department.

**Gifts-In-Kind Donations**  
*Policy # 22-030.1*

Gifts-in-kind are donations of tangible goods including, but not limited to, equipment, artwork, real estate, antiques, land, mineral rights, etc. To accept a gifts-in-kind donation, a Project Director must complete a Gifts-In-Kind Acceptance Form, which is signed by the College Dean. Gifts-In-Kind Acceptance Forms are available through the Office of University Relations and Development. Please consult the University Relations and Development office prior to accepting any gifts-in-kind.

**Quid Pro Quo Donations**  
*Policy # 22-035.1*

A quid pro quo donation is a payment in which a portion of the funds are given in consideration for goods or services provided to the donor with the remainder of the contribution categorized as a charitable contribution. The Foundation is required to inform donors that quid pro quo contributions in excess of $75.00 are deductible only to the extent that the contribution exceeds the value of goods or services provided to the donor. The Foundation must provide the donor with a good-faith estimate of the value of any benefit that the donor received in consideration for their donation.

When a quid pro quo donation has been made, the department depositing the donation must submit documentation showing a good-faith estimate of the value of goods or services provided to the donor. Gift Processing will indicate the value of the benefit received by the donor on the “Acknowledgement of Receipt” form. Auctions, luncheons or dinners and charity golf tournaments are examples of events in which quid pro quo donations may transpire.

Donors may be provided with token benefits that are so inconsequential that the full amount of the donor’s payment may be tax deductible. The IRS provides some safe harbor rules under which the donor may disregard the value of the benefit received. These “safe harbor” amounts are adjusted each year for inflation. Questions regarding quid pro quo donations may be directed to the Foundation Gift Processing Department.

**Donations with a Conflict of Interest**  
*Policy # 22-040.1*

A donor may not personally benefit in any way from a donation made to the CSULB Foundation. Great care should be taken by Project Directors to ensure that donations not be deposited into projects where donors would benefit by the donation or have direct access or control over the expenditure of their donated funds.

Also, any donation of $250 or more from a non-governmental entity that is earmarked by the donor for a specific research project or a specific principal investigator requires the completion by the Project Director of Form 730-U, Principal Investigator's Statement of Economic Interests. See Appendix B for a copy of the form and an explanation. The gift may not be formally accepted by the Foundation until this form has been submitted, reviewed and a determination made that no conflict of interest exists.

**Acknowledging Donations**  
*Policy # 22-045.1*

After a donation is processed by the Gifts Processing Department, the donation information is entered into the university development database, *Business Systems Resources (BSR)*, and an “Acknowledgement of Receipt” form is generated. All donations receive an acknowledgement receipt of their donation for income tax purposes. Donors who make a
gift of $30 or more, or any donation to a memorial fund receive a letter from the Development Office, signed by the Vice President for University Relations and Development. Gift acknowledgements of $1,000 or more are accompanied by a letter from the appropriate College Dean or Director.

**Raffles**

*Policy # 22-050.1*

As of July 1, 2001, California law changed to allow certain tax-exempt organizations to conduct raffles or opportunity drawings for beneficial or charitable purposes in the State of California. The CSULB Foundation qualifies under Penal Code §320.5 to conduct such events. The code requires that at least 90 percent of the gross receipts from a raffle go directly to beneficial or charitable purposes. Additionally, a non-profit organization, must register with the Attorney General’s Registry of Charitable Trusts prior to conducting the raffle and file financial disclosure reports on each raffle event.

In order to ensure that the Foundation adheres to these regulations, a memorandum requesting raffle authorization must be submitted to the Foundation Associate Executive Director at least 90 days prior to drawing date. Memorandum must include proposed date of raffle drawing, raffle sponsor, location of the raffle, and its intended purpose.

Furthermore, a Raffle Report (Appendix C) must be submitted within 60 days upon raffle completion to the Foundation Associate Executive Director. The Raffle Report must include actual date and location of the raffle, the total funds received from the sale of raffle tickets, and an itemized list of expenses for conducting the raffle.
Appendix A

Donation Information Supplement
Appendix B

Form 730-U
Principal Investigator’s Statement of Economic Interests
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Appendix C

Non-Profit Raffle Report
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