# DSU Heritage Foundation
# Gift Acceptance & Receipting Guidelines

**Approved By the DSU Heritage Foundation**
**Board of Directors**
**2-9-17**
**Revised on 10-12-17**
**Revised on 11-20-17**
**Revised and accepted on 11-29-18**

## Table of Contents

***DSU Heritage Foundation, Inc.***
**Gift Acceptance & Receipting Guidelines**

**Acceptance, Legal Counsel, Gift Restrictions, Gift Valuation**

The DSU Heritage Foundation was created in 2015 as an independent non-profit corporation to stimulate the interest and encourage the involvement of alumni and friends in activities of Dickinson State University ("the University"); to promote the University; and to provide private financial support for the advancement of the University. DSU Heritage Foundation:

- Solicits, receives, holds, invests and manages funds consistent with its Bylaws, Financial Policy and Procedures, and in accordance with the Gift Acceptance Policies outlined in this document.

- Makes expenditures according to the wishes of the private donors of the Foundation and to the extent permitted by law, protects the confidentiality and privacy interests of its donors.

- Provides direct and ancillary administrative and staff support, publicity and departmental services, and University project support.

**<u>Purpose of Policies and Guidelines</u>**
The DSU Heritage Foundation, its staff, board of directors and/or representatives may solicit current and deferred gifts from individuals, corporations and other foundations to secure current and future funding needs of the Foundation. These policies shall serve as guidelines for the Foundation's acceptance of gifts and provide guidance to prospective donors and their advisors when making gifts to the Foundation. The provisions of these policies shall apply to all gifts received by the Foundation for any of its programs or services.

While this document is intended to provide guidance to Foundation personnel regarding acceptance of the prospective gifts, donors are ultimately responsible for ensuring that the proposed gift furthers his/her charitable, financial and estate planning goals. Therefore each prospective donor is urged to seek the advice of independent legal counsel in the gift planning process. It is within the province of neither the Foundation nor its staff to give legal, accounting, tax or other advice to prospective donors.

**<u>Gift Acceptance Committee</u>**
The Foundation's Gift Acceptance Committee (GAC) shall consist of:

1. Executive Director of the DSU Heritage Foundation
2. CFO of the DSU Heritage Foundation
3. The President of the Board of Directors

**Gift Acceptance Process**
All gifts considered to be marginal risk may be accepted by Foundation staff on behalf of the Board of Directors. This includes Gifts in Kind with a Fair Market Value less than or equal to $5,000.

All gifts considered to be of moderate risk may be accepted by the Foundation staff after approval by the Executive Director or CFO of the Foundation. Gifts valued at a minimum of $10,000 and considered to be of moderate risk shall be reviewed by the Gift Acceptance Committee at the meeting following the receipt of the gift.

All gifts considered to be of material risk shall be approved by the GAC before the gifts may be accepted by the Foundation. It is understood that upon acceptance by the GAC, all gifts considered to be of material risk shall be documented with a written understanding between the donor, and the Foundation.

A majority of the GAC members shall constitute a quorum for any committee meeting. Action of the committee shall require a majority of the members voting at any meeting at which a quorum is present. If a majority decision cannot be reached, the gift will be declined.

The GAC may use its discretion to determine whether a gift will be forwarded to the Foundation's Board of Directors for review and final decision.

**Legal Counsel**
The Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

1. Closely held stock transfers that are subject to restrictions or buy-sell agreements.
2. Gifts involving contracts that require the Foundation to assume an obligation. (Examples: trusts, annuities, bargain sales)
3. Transactions with potential conflict of interest that may invoke IRS sanctions.
4. Other instances in which use of counsel is deemed appropriate by the Foundation.

**Conflict of Interest**
The Foundation will encourage all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

**Restrictions of Gifts**
The Foundation may accept unrestricted, temporarily restricted, and permanently restricted (endowed) gifts. The Foundation may choose not to accept gifts that are too restrictive in purpose, gifts that are too difficult or deemed too expensive to administer, or gifts that are for purposes outside the stated mission. The Foundation's Gift Acceptance Committee shall make

recommendations to the full board or designated representatives on the acceptance or refusal of a restriction on a gift.

- **Establishment of Named Permanently Restricted Gift (Endowed)**

  In order to establish a restricted named endowed fund, the initial contribution(s) must be a minimum of $25,000. If the gift(s) is less than $25,000 and the donor desires to grow the fund to endowed status, the donor must sign a pledge commitment form to build the fund to this level within five-year period or the gift will be spent for its restricted purpose.

  DSU Heritage Foundation may not pledge as collateral, grant a security interest, or borrow from assets designated as permanently restricted. This is in accordance with Senate bill No. 2276 referring to the use of restricted assets.

  The DSU Heritage Foundation also follows the guidelines set forth by UPMIFA (the Uniform Prudent Management of Institutional Funds Act. A standard accepted by non-profits across the country.

- **Establishment of Temporarily Restricted and Unrestricted Gifts**
  Named Current Restricted and Current Unrestricted funds will be accepted for the use of scholarships, program funding and capital construction projects as long as the criteria established meets the priorities of the Foundation. Spending from these funds will be based upon the recommendation of the Management and Allocation Committee.

  1. Spending from these funds should consider current fund balances and projected program disbursements.
  2. All earnings from these funds will be used as a management fee.

**Categories of Gifts**

Gifts are classified into three categories, based on the level of risk associated with acceptance:

Gifts of material risk include:

- Outright gifts or real property
- Gifts of real property when bequest is realized
- Gifts of Real Estate with retained life interest
- Interests in Business Entities
- Gifts of personal property with a Fair Market Value exceeding $5,000 if not to be used by the University
- Conditional pledges with a value exceeding $10,000
- All gifts of real or tangible personal property subject to donor restrictions regarding the disposal of such property
- All gifts of unusual items or gifts of questionable value

Gifts of moderate risk include:

- Non-publicly traded securities
- Notification of the intent to gift real property through a bequest
- Charitable gift annuities
- Charitable remainder trusts
- Charitable lead trusts
- Gifts of life insurance
- Conditional pledges with a value equal to or less than $10,000
- Gifts of personal property with a Fair Market Value equal to or less than $5,000 if not to be used by the University
- Gifts of personal property with a Fair Market Value that exceeds $5,000 if to be used by the University. These are considered Gifts in Kind.

All other gifts are considered to be gifts of marginal risk.

**<u>Pledges</u>**

Pledges are commitments to give a specific dollar amount according to a fixed time schedule. This schedule may not exceed ten years for any one gift, unless approved in advance by the Executive Director or CFO. Annual Fund pledges are usually for amounts less than $1,000 and for periods less than one year. All pledges other than Annual Fund are required to be in writing.

The following minimum information must exist to substantiate a pledge:

- The amount of the pledge must be clearly specified.
- There must be a clearly defined payment schedule.
- The donor may not proscribe contingencies or conditions.
- The evidence of the pledge should include words such as “promise”, “agree”, “will”, and/or “intend”.
- The donor must be considered to be financially capable of making the gift.
- The donor will sign the Pledge Commitment Form.

Pledges that do not contain this minimum information must have prior approval by the GAC.

**<u>Types of Acceptable Gifts and Criteria Governance</u>**

- **Cash**

  Cash gifts are recognized at full face value and are recorded on the donor’s personal gift history for the same amount. Checks should be made payable to the DSU Heritage Foundation.

- **Tangible Personal Property**

The Gift Acceptance Committee in light of the following criteria shall examine all gifts of tangible personal property:

1. Does the property fulfill the Foundation's mission?
2. Is the property marketable?
3. Are there any undue restrictions on the use, display or sale of property?
4. Are there any carrying costs for the property?

Valuation of tangible personal property gifts is to be provided by an independent appraiser selected and paid for by the donor. The appraised value will be used for purposes of the donor's personal gift history.

- **Gifts in Kind (Retained for University Use)**
  Gifts in kind are a form of personal property that will be retained and used by the University students and/or faculty. It is imperative that the property be used to complement the core mission of the university in the areas of teaching, research, creative endeavors, outreach programs or a combination thereof. The use and need of the property should be clearly documented and approved by the respective University unit. If applicable, the DSU Controller, Facilities Management, Department Chair or College Dean may be asked to provide approvals as well. These approvals will be coordinated through appropriate Foundation staff and a representation from DSU.

  Gifts in kind shall be valued at their full market value. Gifts with fair market values exceeding $5,000 will be reported at the values placed on them by qualified independent appraisers as required by the IRS for valuing noncash charitable contributions. Gifts of $5,000 and under may be reported at either the value declared by the donor or the value placed on them by a qualified expert on the faculty or staff at Dickinson State University. If a value as specified above is not placed on a gift of personal property, the value shall be recorded at $1.

  Gifts in kind of software are valued in one of two ways. A written confirmation of the value of the gift at the educational discount price should be obtained from the donor. If no educational discount is available, that must be stated from the donor, and a value of 50% of the retail price shall be used.

  Title to the gift property should be clear and unencumbered, and properly documented. Careful consideration should be given to maintenance, storage, and transportation costs of all gifts in kind.

  Gifts in kind with a fair market value equal to or greater than $10,000 shall be reviewed by the GAC at the meeting following the receipt of the gift.

  It is the policy of the Foundation to transfer ownership of all gifts in kind to the University.

- **Publicly Traded Securities**

  Publicly Traded Securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. All marketable securities should be sold within a prudent time frame and reinvested as defined by the Foundation Financial Policy and Procedures.

  Valuation of the gift for the donor's personal gift history is the daily average value of the securities when the transfer was made to the Foundation.

- **Closely Held Securities**

  Closely Held Securities, which include not only debt and equity positions in non-publicly traded companies but also interest in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to approval. However, gifts must be reviewed (internally or externally) prior to acceptance to determine:

  1. If the security is restricted.
  2. If the security is marketable.
  3. If the security will generate undesirable tax consequences for the Foundation.

  Valuation of the gift for purposes of the donor's personal gift history will be the responsibility of the donor.

- **Real Estate**

  Real estate gifts may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate an initial environmental review of the property to ensure that the property has no environmental hazard may be required. In the event the initial inspection reveals a potential problem, the Foundation may retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be a donor expense.

  The Foundation may also require a physical and structural inspection of the property to ensure the property's short and long-term viability. The donor shall generally pay the cost for these services.

  When appropriate, a title binder shall be obtained by the Foundation prior to the acceptance of the real estate gift. The cost of the title binder shall generally be a donor expense.

  Prior to the acceptance of the real property, the following criteria should be considered:

1. Is the property useful for Foundation purposes?
2. Is the property marketable?
3. Are there any restrictions, reservations, easements, or other limitations associated with the property?
4. Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc. associated with the property?
5. Does the environmental audit reflect that the property is not a hazard?
6. Does the physical and structural inspection reflect positively on the property?

Valuation of real estate property gifts is to be provided by an independent appraiser selected and paid for by the donor. The appraised value, less outstanding debt & taxes assumed by the Foundation, will be used for purposes of donor's personal gift history.

- **Remainder Interests in Property**

The Foundation may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions outlined under the Real Estate information listed above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the donor, the Foundation may use the property or reduce it to cash. Where the Foundation receives a gift of a remainder interest, the donor or primary beneficiary generally pays expenses for maintenance, real estate taxes, and any property indebtedness.

Valuation of remainder interest gifts is to be provided by an independent appraiser selected and paid for by the donor. The appraised value will be used for purposes of the donor's personal gift history.

The Foundation will not ordinarily serve as sole trustee or co-trustee of a charitable lead trust.

The trust term may be at the discretion of the donor.

- **Oil, Gas and Mineral Interests**

The Foundation may accept oil, gas and mineral property interests when appropriate. Prior to acceptance of oil, gas and mineral interest gifts, the following criteria should be reviewed:

1. The potential amount of the gift versus expenses to receive the gift and ongoing administrative costs.
2. The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.

3. A working interest generally should be accepted only when there is a plan to minimize potential liability.
4. The risk of environmental hazard must be considered to ensure that the Foundation has no current or potential exposure to environmental liability.

Valuation of oil, gas and mineral property gifts is generally provided by an independent appraiser selected and paid for by the donor. The appraised value will be used for purposes of the donor's personal gift history.

- **Bargain Sales**

The Foundation may enter into a bargain sale arrangement in instances in which the bargain sale furthers its mission and purpose. Factors for acceptance of the gift should include:

1. Will the Foundation use or sell the property?
2. Results of the environmental review?
3. Results of the physical and structural inspection of the property?
4. The ratio of debt to equity, if a mortgage is assumed?
5. The ability to cash flow the debt, if a mortgage is assumed?
6. The ability to cash flow the carrying costs of the property including taxes, insurance and maintenance of the property?

Valuation of bargain sale gifts is to be provided by an independent appraiser selected and paid for by the donor. The appraised value will be used for purposes of the donor's personal gift history.

- **Life Insurance**

The Foundation will accept any gift of a life insurance policy provided that it is under no prearranged obligation to expend its assets to maintain the policy. No portion of the proceeds may be paid to anyone or any organization that is not qualified as a tax-exempt entity under IRS Code Section 501 (C) (3).

The Foundation has the unrestricted right to fully exercise its powers as the owner, including the power to surrender, select payment options, designate beneficiaries and withdraw or borrow cash values.

In the event a policy is contributed, on which premiums remain to be paid, the donor must pledge to continue paying premiums or give the Foundation permission to surrender the policy for cash value.

The Foundation will not participate in split dollar or reverse split dollar plans, or other partial interest programs. Any charitable insurance program, such as those promoted by the life insurance industry, or individual insurance agent(s), shall be entered into only after a thorough explanation has been provided to the Board and the Board has voted to proceed with the program

The Foundation will accept deferred gifts of life insurance. Deferred gifts of life insurance will be counted toward the financial goals of the Foundation provided the Foundation is named as the irrevocable beneficiary and owner of the policy.
Life insurance is valued at the cash surrender value at the time of the gift. Additional premium payments are considered gifts when received by the Foundation.

The Foundation should have an agreement regarding the pledge of payments to maintain the policy in addition to the Foundation's permission to surrender the policy for cash value if the need should arise.

Under extraordinary circumstances the Foundation may choose to provide for a payment of premium or premiums for the policy.

Alumni and friends who notify the Foundation of their plans will become members of the Legacy Society.

**Charitable Gift Annuities**

A charitable gift annuity is a contract between the Foundation and the donor. The Foundation agrees to pay the donor or person named by the donor a lifetime annuity in return for a gift of cash, securities, or other property. The payment may continue for the life of a second individual, such as a spouse or for a term of years (not to exceed 20 years).

The preliminary minimum amount for an annuity agreement is $25,000.00. Smaller amounts may be considered starting at $10,000 with a term of years limitations attached.

For new contracts the Foundation will be guided, although not bound, by the suggested payout rates recommended by the American Council of Gift Annuities.

Agreements shall be limited to one or two lives, and ordinarily the minimum age for the annuitants shall be 65 for immediate payment annuities and 50 for deferred payment annuities. In the case of deferred payment charitable gift annuities, the donor(s) shall be age 65 before the annual income payments may commence. Exceptions may be made subject to the prior approval of the Board.

Gift annuities may be managed by the Foundation and/or the Foundation may employ agents and advisors to assist with the administration and investment of gift annuity assets.

Gift annuities must meet the North Dakota state laws governing gift annuities.

The Foundation prefers to provide annual payments to gift annuity donors.

The Foundation generally should not accept real estate, tangible personal property, or other illiquid assets in exchange for current charitable gift annuities. If real property is contributed in exchange for a gift annuity, and the property does not produce income or the income produced is insufficient, consider whether the Foundation wants to contribute resources to pay the income stream in the period before the property is sold.

Valuation of charitable gift annuities for purposes of donor's personal gift history will be the face value of the gift.

- **Deferred Charitable Gift Annuities**

  The same guidelines as for charitable gift annuities should be taken into consideration.

- **Pooled Income Funds**

  The pooled income fund distributes net income to the donors who hold units. The Foundation will give careful consideration before accepting real estate into a pooled income fund. Real estate is generally non-income producing and may incur expenses (charged to income) prior to the sale and is likely to reduce the income stream for all participants.

- **Charitable Remainder Trusts**

  The charitable reminder trust is a separately administered trust established by the donor. It provides for payments to the donor and/or other named beneficiary (ies) either for life or a term of years (not exceeding twenty), where upon the remaining trust assets are distributed to one or more charities.

  Where the Foundation is named as trustee or co-trustee, the minimum amount for funding a charitable remainder trust will be at least $100,000, but the Board may fund a trust with a smaller amount subject to prior approval. If the donor selects an external trustee, the minimum will be whatever amount is acceptable to that trustee.

  Where the Foundation is named as trustee or co-trustee, the Foundation will provide full disclosure to the donor on the investment portfolio as required by law.

The Foundation requires that beneficiaries must be age appropriate unless the trust is for a term of years.

The Foundation ordinarily recommends limiting the number of beneficiaries to two where payments are to be made for the life of the beneficiaries.

Ordinarily the Foundation will not accept responsibility as a trustee, unless the Board has given specific approval, of a charitable remainder trust instrument that is or will be

funded with the following assets:

- Encumbered real estate
- Margined securities
- Sole proprietorships
- Limited partnerships
- Working interests in oil and gas fields
- General partnership interests.

This is not an inclusive list.

- **The Charitable Lead Trust**

A charitable lead trust is a trust in which the income, or "lead" interest, is paid to the Foundation, and the "remainder" interest is given to one or more non-charitable beneficiaries, who could be either the donor or family members.

The Foundation prefers not to serve as trustee of charitable remainder trusts except when it is in the best interest of the donor and the Foundation or when it is impractical to name another trustee. Agreement to act as trustee shall be subject to prior approval of the Board and/or the Board in consultation with the donor's legal counsel. The Foundation is authorized to arrange for a trust institution to manage charitable remainder trusts where the donor is the remainderman.

The Foundation will not ordinarily serve as sole trustee for charitable lead trusts or will not serve as trustee for irrevocable life insurance trusts.

- **Other Charitable Gifts**

The acceptance of other and unique charitable gifts not listed above will be considered on a case-by case basis by the Gift Acceptance Committee.

**Bequests**

The Foundation encourages alumni and friends to make bequests under their wills and trusts. Such bequests will not be recorded as gifts to the Foundation until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time. Alumni and friends who notify the Foundation of their plans will become members of the Legacy Society with no gift value stated regardless if the gift is revocable or irrevocable. Unrestricted bequests that are received by the Dickinson State University Foundation will be deposited in the Unrestricted Quasi-Endowment Fund unless otherwise noted or specified. These funds will generate revenue for the Foundation as defined by the Financial Policy and Procedures.

- **Individual Retirement Beneficiary Designation**
  The Foundation encourages alumni and friends to name the Foundation as beneficiary or contingent beneficiary of their individual retirement funds. Alumni and friends who notify the Foundation of their plans will become members of the Legacy Society with no gift value stated.

**Legal Fees and Professional Fees**
Legal fees for completion of the gift are usually the responsibility of the donor; however the Foundation may take on this responsibility.

**Valuation of Gifts on the Foundation Books**
The valuation of the gift for tax purposes should be done in consultation with the donor's personal tax advisor. The valuation of the gift for Foundation gift credit purposes shall be determined by the Foundation.

**Appraisals**
It will be the donor's responsibility to secure an appraisal where required and should seek independent legal counsel for all gifts made to the Foundation. The Foundation may request an independent appraisal, which will be paid for by the Foundation.

**Filing of IRS Forms on Sale**
The Foundation shall file all required forms.

**Gift Receipting Fees**
The DSU Heritage Foundation is a not for profit organization established under the laws of the State of North Dakota to solicit and accept gifts to further and fulfill its mission. The following policy governs the administration of fees on gifts made to the DSU Heritage Foundation for the benefit of Dickinson State University (DSU). Gift Fees are used to help offset costs associated with the budget of the DSU Heritage Foundation. These dollars help us to fuel and advance DSU and engage the University's Alumni and Friends.

Our operating budget is funded through three primary sources:

- Direct support from DSU
- Gift and Endowment Fees
- Self-Generated Revenues (i.e. Interest income, unrestricted gifts and paid events)

The Fee Assessment Policy is approved by the DSU Heritage Foundation Board of Directors.

Effective January 1, 2017, the DSU Heritage Foundation assesses a gift service fee of the following on all gifts received, as further defined below. It is the policy of the DSU Heritage Foundation to not waive the gift service fee.

- Current use gift directed to a Board Restricted Fund: A one-time 5% gift service fee is assessed on the value of and deducted from the gift.

- Endowment gifts: A one-time 5% gift service fee is assessed on the value of and deducted from the gift.

- Deferred gifts: A one-time 10% gift service fee is assessed at the time the gift matures, regardless of designation.

- Real Estate gifts: A one-time 10% gift service fee is assessed at the time the gift is sold or matures, regardless of designation.

- Stock, and Insurance Policy gifts: A one-time 5% gift service fee is assessed at the time the gift is sold or matures, regardless of designation.

- Annual Fund Gifts (Unrestricted and Scholarships dollars associated with a campaign): In addition to the 5% gift fee, an annual campaign promotion fee for services provided by the DSU Heritage Foundation's office will be applied. This will include printing, mailing, and other campaign related expenses. This amount will be established at the start of each annual campaign. The annual campaign promotion fee will range between 3-5%.

- Event Income: Charitable and non-charitable receipts from a fundraising event processed and receipted by the DSU Heritage Foundation will be assessed a one-time 5% fee. This includes ticket sales, auction items, raffles, etc. If the DSU Heritage Foundation employees are asked to manage the event an additional 10% fee will be assessed to help offset all employee costs associated with the event.

Special circumstances may allow the gift service fee to be waived. The parties must have a written request to waive all fees. This letter must state the reason for the fee to be waived and how the dollars are to be used. This will then be approved/declined by the DSU HF executive committee and documented in the minutes.

**Endowment Management**

A per annum management fee is assessed on a quarterly basis based upon the quarter-end market value of that endowment within the investment portfolio. This rate is established by the DSU Heritage Foundation Board of Directors.

- 1.5% endowments up to $1 million
- .5% endowments more than $1 million

**Development Reinvestment Fee**

A development reinvestment fee is assessed at inception on all non-endowed deposits to the DSU Heritage Foundation. The Foundation assesses a one-time fee based on the value of each gift to support fund raising and alumni relations for the benefit of the University.

Consideration for development reinvestment is:

- 5 % General Donations (up to $2 Million)
- 3% Leadership Gifts ($2 Million and above)

**Development Reinvestment Fee on Legacy Gifts**

A fee is assessed on all non-endowed distributions from estates, retirement plans and life insurance proceeds based upon the development reinvestment fee schedule for general donations.

**Development Reinvestment Fee on Life Income Arrangements**

**Management Fees for Annuities, Trusts, and Land**

An annual management fee for annuities, trusts, and real estate owned will be assessed on January 1 of each calendar year to help offset the operation of the DSU Heritage Foundation. A management fee of 1.5% of the market value of real estate (examples: apartment trusts and land) and a management fee of 1.5% of the fair market value of annuities and trusts will be assessed to offset operating expenses.

**Mineral Royalty Management Fees**

A 10% mineral processing fee will be assessed on all mineral leases and/or mineral royalty payments received. These fees will be used to offset operating expenses incurred by the Foundation.

**Pass Through Fees**

- If a broker is employed to sell properties on behalf of the Foundation, the brokerage fee becomes a cost to the appropriate fund.
- When professional property managers are engaged, the management fee becomes a cost to the appropriate fund.
- Fees that are charged from credit card vendor's average 4%, therefore a 4% fee will be passed on to each applicable Foundation fund for all deposits received via a credit card transaction.

**Exceptions to Stated Fee Policy**

Exceptions to all fees stated will be considered on a monthly basis by the GAC. Requests for a variance should be emailed to Chief Financial Officer. Responses and outcomes will be shared with all development staff.

Exceptions to fee policy will be reported at least annually to the Board Governance Committee.

The DSU Heritage Foundation may consider a gift service fee exemption under the following circumstances:

- A major gift of strategic importance with special donor circumstances; or,
- If a donor organization's policy states in a verifiable and public manner that a fee may not be charged.

A gift service fee exemption can only be granted with the approval of the DSU Heritage Foundation Board of Directors.

**Acknowledgement of Gifts**

The Foundation will acknowledge the gift in writing within one month of receipt.

**Changes to Policy**

Except as otherwise stated within these written policies, the Committee must approve any exceptions to policy provisions. The Committee shall periodically (but no less frequently than every five years) review these policies to ensure that they continue to accurately describe the policies of the Foundation with respect to acceptance of charitable gift. The Committee shall propose to the Board for adoption those revisions that the Committee shall determine to be necessary or appropriate in order to accurately reflect the policies of the Foundation. Any changes in these written policies require approval of the Board.

__________________________
President, Dr. Tom Arnold
On behalf of the
Dickinson State University Heritage Foundation

__________________________
Chair, James Schwartz
On behalf of the
Foundation Investment Committee