

## **GIFT ACCEPTANCE**

**Policy Number: 204GS**

**Effective Date: 6/1/16**

**Revised Date: 6/21/17; 11/09/2020**

### **Scope**

This Policy on Gift Acceptance applies to faculty, staff, predoctoral researchers, summer scholars and applicants ("Covered Individuals") of The Graduate School of the Stowers Institute for Medical Research ("the School").

### **Purpose**

The purpose of this policy is to establish procedures and criteria for the review and acceptance by the SGC of proposed gifts in order to ensure that acceptance of each proposed gift is in the best interest of the SGC and consistent with its mission.

The School is included in the Stowers Group of Companies ("SGC") Organizations and has adopted the following policy as its own.

### **Policy**

The SGC will accept gifts only if they are (1) compatible with the mission, purposes, and priorities of the SGC, (2) in compliance with the Internal Revenue Code and other federal statutes, regulations, rulings, or court decisions that stipulate the conditions under which contributions can be tax favored, and (3) compatible with the SGC's tax-exempt status.

### **Gift Review Process**

All gift proposals, except for gifts of unrestricted cash as discussed below, must be submitted to the SRM Board of Directors for review and evaluation together with any information with respect to the proposal that the Board may request. As the Board deems necessary or advisable, it will conduct due diligence, and it may employ outside professional advisers to assist in the review and evaluation of any gift proposal.

The SGC may accept gifts of unrestricted cash or cash equivalents without an advance review by the SRM Board of Directors, provided the Chief Financial Officer determines the gift meets the standards in the Review Criteria based on readily available information. These gifts will be reported to the SRM Board on a regular basis.

### **Gift Review Criteria**

The following criteria should be considered in connection with any review for purposes of determining whether the SGC should accept or reject a proposed gift:

- The expected monetary value of the proposed gift;
- The guaranteed, contingent, or revocable nature of the proposed gift;

- Whether the proposed gift is outright (i.e., one in which the arrangement for the gift and the accrual of the benefit to the SGC occur simultaneously) or deferred/planned (i.e., one in which time passes between the arrangement for the gift and the accrual of the benefit to the SGC);
- The SGC's need for the assets included in the proposed gift and the likelihood of future gifts from the prospective donor;
- The anticipated perception of the proposed gift by the public and the scientific community and the potential for dilution or enhancement of the SGC's goodwill and prestige resulting from the gift;
- The cost of performing due diligence sufficient to determine and quantify the benefit that will accrue to the SGC and any potential liability related to the proposed gift;
- The existence and magnitude of any known liability and the potential existence and magnitude of any unknown liability relating to any asset included in the proposed gift and the likelihood or requirement that the liability would be charged against or assumed by the SGC;
- The identity of and circumstances surrounding the prospective donor, including his or her (i) reputation for honesty and integrity in the community, (ii) financial viability and ability to afford the proposed gift, and (iii) business or the primary source of funding for the assets included in the proposed gift and the consistency thereof with the SGC's mission;
- With respect to any proposed gift comprised of securities, the identity and business of the issuer and the consistency thereof with the mission of the SGC;
- With respect to any proposed gift of non-publicly traded securities, the prospective liquidity of such securities;
- The existence or appearance of any conflict of interest regarding the proposed gift between the prospective donor and the SGC or any of its officers, directors, members, or other persons associated with it;
- Any request for public recognition of the prospective donor in consideration for the proposed gift (e.g., a request to have a portion of the SGC's facilities named in the donor's honor);
- Any request for use of an SGC Organization's name or logo;
- Any impact of the proposed gift on the SGC's status or elections under any provision of the Internal Revenue Code; and
- Any request by the prospective donor to structure the proposed gift to obtain more favorable tax treatment for the donor.

## **Determination**

Following review and evaluation of the gift proposal, the SRM Board will make a determination and formally notify the prospective donor regarding the acceptance or rejection of the gift proposal. With respect to accepted gift proposals, the notification should comply with the applicable Internal Revenue Service requirements to permit the donor to properly deduct the gift. This includes, without limitation, providing donor acknowledgment letters if the contribution is at least \$250 in value and making statements regarding quid pro quo contributions (e.g., contributions received in exchange for money, property, or services). If a gift proposal is rejected and the reason for the rejection is of a nature that may be cured by modification thereof, the

SRM Board will explain what modifications (including, for example, the elimination of specific undesirable assets from a proposed gift comprised of multiple assets) would be necessary for the gift proposal to be acceptable to the SGC.

#### **Advice to Donors**

Special rules often apply to limit the deductibility of non-cash contributions, including contributions of tangible personal property. All prospective donors should be urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

This policy was approved by the GSSIMR Board of Directors on September 5, 2018.

This policy was last updated by the GSSIMR Board of Directors on November 09, 2020.

This policy will be reviewed by the GSSIMR Board of Directors in 2022.