

University of Florida Foundation, Inc. (UFF)

Gift Acceptance Policy

Policy #: 2.12

Effective Date: October 5, 2018

Responsible Department: Legal

1. PURPOSE

To ensure that gifts other than cash, cash equivalents, and unrestricted publicly-traded securities are appropriate for acceptance.

2. APPLICABILITY

All gifts of tangible and intangible personal property, interests in business entities, non-publicly traded securities, restricted securities, and real property for the benefit of the University.

3. POLICY

The gifts covered by this policy may raise issues of marketability or liability and so are subject to a heightened level of scrutiny and due diligence. Acceptance of certain gifts requires review by the Gift Acceptance Team, consisting of the Associate Vice President for Advancement Services, Senior Associate Vice President for Development, Chief Financial Officer, Assistant Vice President for Development (Gift Planning), and Executive Director of Legal, with advice from other staff as needed. The Team will make a recommendation to the UFF Executive Vice President regarding acceptance of the gift.

Due diligence may include assessment of costs related to storage, insurance, transportation, and other carrying costs; potential financial or legal liability; and tax issues for UFF. Gifts intended for sale should be evaluated for marketability; gifts intended for use should be reasonably expected to benefit the University and approved by the responsible unit.

Tangible Personal Property

A gift of tangible personal property may be accepted on behalf of the University by UFF provided that:

- such a gift is consistent with the mission of the University, or may be liquidated and the proceeds used by the University;
- acceptance of such a gift will not involve significant additional expense in its present or future use, display, maintenance, or administration; and

- no financial or other burdensome obligation or expense is or will be directly or indirectly incurred by UFF as a result thereof.

Unless otherwise specified as a condition of the gift, UFF, in assuring that the donor's intent for the gift is honored, is empowered to retain the gift of property, transfer it to the University, or liquidate it for the benefit of the University.

Works of Art

Gifts of works of art may be accepted on behalf of the University by UFF, provided that the following policies are followed. In addition to the general policy on acceptance of gifts of tangible personal property, UFF, in accepting works of art, will adhere to the following two-tier approach. Proof of ownership is a condition of acceptance for any artwork because of increasing concerns regarding repatriation for certain historic, ethnic, and cultural categories.

Works of high quality, individually or in whole collections, may be given to and accessioned by the Samuel P. Harn Museum of Art, the official collector and keeper of important works of art for the University. To be "accessioned" indicates the Museum's commitment to care for and to use the work for Museum purposes. Art accepted by the Museum must be approved by the Museum Director prior to acceptance and, if appropriate, the Museum's Committee on the Collection. The principal criteria for acceptance, besides quality, are condition, ownership, authenticity, and relatedness to the purpose and collections of the Museum.

In addition, generally, the work must be unencumbered by any restrictions as to use, attribution, exhibition, and disposal. The Museum will, however, honor the donor's wishes regarding gift recognition and complies with museum standards regarding deaccessioning and sale. Works of art should also be accompanied by a bill of sale or other proof of ownership and a complete provenance (the artwork's history of ownership), where available, and must be transferred to UFF by a properly prepared and executed deed of gift.

Works not meeting Museum standards may still be of value to units of the University for decorative, instructional, or resale purposes. However used, title to these works remains with UFF until transferred where appropriate by UFF to UF, and decisions regarding disposition rest with the titleholder.

Interests in Business Entities; Non-publicly Traded or Restricted Stock

A gift of an interest in a limited or general partnership or other similar business or of stock in a corporation that is not publicly-traded, or of restricted stock of a publicly-traded corporation, may be accepted on behalf of the University by UFF provided that the appropriate due diligence has been performed by the Gift Acceptance Team. Approval by

the Team must be obtained before UFF will accept any such gift. “Restricted” means a security that is not fully vested and the transfer of which is subject to restrictions under SEC applicable law, SEC rules, agreement, or otherwise. The Gift Acceptance Team will investigate such matters as possible liability to UFF, assets of the entity, liquidity of the assets, entity's past and current financial condition (based on such things as audited financial statements and filed tax returns), partnership or shareholders' agreement, nature of the restrictions, and any other information the Team deems reasonably necessary.

Real Property

Gifts of real property may be accepted on behalf of the University in accordance with UFF policies. Most real property is actively marketed and the proceeds are used for the charitable purposes specified by the donor. In some cases property may be received and held for use by the University. A real estate policy has been adopted by the UFF Board relating to the acceptance, management, and liquidation of real property.

No interest in real property, whether outright, in trust, by bequest, as a secured interest, or otherwise, will be accepted by or on behalf of UFF without first complying with all due diligence requirements as set by the Board. Each real property acquisition requires a site visit by Foundation staff or a qualified consultant, an environmental assessment, and may require an appraisal, survey, or title work. Gifts of mortgaged property require additional review.

Insurance

For insurance to qualify as a gift, whole life, endowment, or certain universal life insurance policies must be owned by UFF with UFF also named as the irrevocable beneficiary of the policy. UFF will not participate in any split-dollar life insurance arrangements. UFF may use donor gift dollars specifically designated for purchase of a life insurance policy, to purchase a life insurance policy on that donor, payable to UFF at maturity.

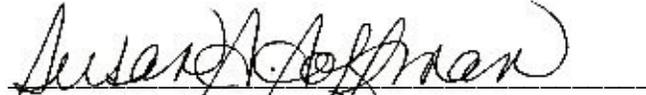
Additionally, a donor may name UFF as the beneficiary of an insurance policy and this will be acknowledged as an “insurance expectancy.”

Gifts of insurance are managed by the UFF Gift Planning Department.

4. **CLARIFICATION**

Requests for clarification of this policy should be sent to the Executive Director of Legal (sgoffman@uff.ufl.edu).

Certified as approved by the UFF Executive Board on October 5, 2018.



Susan G. Goffman, Secretary

Revision history: Original version
Revised October 5, 2018 (combined 2.12-2.16)