

## New Mexico Highlands University and New Mexico Highlands University Foundation Advancement Policy

### I. Purpose

The purpose of this policy is to set forth guidelines for advancement, fundraising, and alumni activities at New Mexico Highlands University (the 'University'). The policy is not meant as an exclusive, or comprehensive guide to all situations that may arise, but rather sets forth basic procedures, criteria, and priorities. Interpretation and amendment of the policy shall be undertaken by the New Mexico Highlands University Board of Regents and the New Mexico Highlands University Foundation Board of Directors.

### II. Coordination of Solicitation

New Mexico Highlands University values its donors, alumni, and friends. In order to ensure that their charitable support of the college is appropriately and promptly receipted, acknowledged, recognized, and recorded, the University has designated the New Mexico Highlands University Foundation (the 'Foundation') as solely responsible for coordination of all charitable activities, including, but not limited to: solicitations, whether in person, by mail, by phone, via internet, through an event, or any other means; deposit, processing, recording, receipt, and acknowledgement of all charitable contributions to the University and the Foundation; and, communications and correspondence, with donors, governmental agencies, or all others, regarding charitable contributions received by the college. New Mexico Highlands University has also charged the Foundation with this responsibility to ensure compliance with all IRS regulations related to receipt and documentation of charitable contributions by non-profit organizations.

A. All solicitations, appeals, requests, proposals, events and other activities designed to result in contributions to the University or the Foundation, or any department or activity thereof, shall be conducted by the Foundation. With prior approval of the Foundation, faculty, students, staff, and volunteers of the University may directly solicit these charitable contributions. Activities designed to support students individually, student groups not operating under the financial auspices of the University, or non-profit organizations other than the University or Foundation are not carried out by the Foundation; however, notification of such activities should be given to the Foundation where University students, staff, faculty, or alumni will be solicited, or, where University facilities shall be the site of a solicitation.

B. All charitable contributions must be submitted to the Foundation for processing, recording, and deposit. This includes gifts of cash, checks, securities, and all non-cash charitable contributions. The Foundation will be responsible for deposit and/or credit of each contribution to the appropriate department, area, or function, in accordance with donor designations or instructions. It is the responsibility of the receiving department or area to ensure that contributions are used in a manner consistent with donor designations, restrictions, or instructions, as relayed to the receiving department or area by the Foundation.

C. The Foundation will provide appropriate receipt and acknowledgement of all charitable contributions made to the University or the Foundation, in accordance with IRS requirements. This is the exclusive function of the Foundation; no other University employee, faculty member, or staff person may issue any receipt or acknowledgement on behalf of the University or the Foundation.

D. The Foundation, with assistance from the University, shall be responsible for maintaining accurate records on all charitable contributions, providing information to donors upon request regarding their charitable contributions, and responding to inquiries from local, state, or federal agencies regarding charitable contributions received.

### III. Gift Acceptance

A. The Foundation shall accept all gifts of cash, and publicly traded securities. Except as otherwise authorized in writing by the Foundation Board of Directors, all checks shall be processed for immediate deposit, and all publicly traded securities shall be sold as promptly as possible.

B. The Foundation may accept non-cash gifts. Donors of non-cash gifts having a fair market value of \$500 or more shall be notified that they are required by the IRS to complete form 8283, and that the Foundation may be required by the IRS to complete Part IV of Form 8283, and, in certain circumstances, Form 8282. Donors whose gift may have a fair market value of \$5,000 or more shall be advised that they may be required to complete a formal appraisal of the gift at their expense, pursuant to IRS regulations. Acceptance of these gifts shall be guided by the following criteria:

1. Any non-cash gift that places an undue burden on the University, or results in expenses of over \$100, or greater than the value of the gift, whichever is lesser, in order to secure, deliver, or transport to the University, will not generally be accepted.
2. Non-cash gifts that are the University or Foundation desires for immediate use and/or consumption in order to further the mission of the University are generally accepted. This may include, but is not limited to, gifts such as: classroom or laboratory equipment; student supplies; or, items to be auctioned or raffled off to further the charitable purposes of the University.
3. Gifts of real estate shall be forwarded for consideration to the Foundation Board of Directors, and then to the Board of Regents, for consideration. Criteria to be considered include, but is not limited to:
  - A. Marketability, including as it relates to title of the property
  - B. Proximity to campus
  - C. Liens, easements, encumbrances, and other potential liabilities
  - D. Carrying costs

For each proposed gift of real estate that is considered, the following information shall be required to be provided by the donor, or the donor's estate, at their expense, to the above boards:

- A. Proof of title
  - B. Proof of current and adequate insurance, and ability to acquire insurance, should the property be received by the college
  - C. Sellers's disclosure, not limited to the standard form used in such transactions, and including disclosure of all past liens, liabilities, potential liabilities, repairs, easements, encumbrances, and any other information relevant to the marketability, habitability, or future use of the property.
  - D. Statement of environmental fitness of the property, disclosing any known concerns related to asbestos, lead paint, flood areas, hazardous material contamination, or any and all other issues that may relate to the property's environmental conditions.
  - E. A formal, written appraisal of the property
  - F. Any other information requested by the above boards
4. Gifts of non-publicly traded securities, partnership shares, or other financial, proprietary, or business interests shall be evaluated by the Foundation. The donor must provide information, at their expense, about the proposed gift, as requested by the Foundation or the Foundation Board of Directors, which may include information about restrictions on sale of the asset, valuation of the asset by a third party, potential liabilities associated with the asset, fiduciary responsibilities incurred by acceptance of the asset, and any other information pertinent to the evaluation of the potential gift.
  5. Designation of the University as a beneficiary of a life insurance policy, retirement plan, trust, bequest, or other instrument resulting in creation of a charitable contribution for the college shall typically be accepted, but may be reviewed by the Foundation Board of Directors.
  6. Gifts of art, books, musical instruments, medical equipment, cemetery plots, timeshare interests, and other tangible personal property are typically not accepted, unless recommended to the Foundation Board of Directors for acceptance consideration by the President or Vice President for Advancement.
  7. All other non-cash gifts not described above shall be evaluated by the Foundation Board of Directors and Board of Regents.

#### IV. Gift Acknowledgement

- A. The Foundation shall promptly acknowledge and receipt, in writing, all gifts of \$25 or more, made in cash, or by check or credit card.

B. The Foundation shall acknowledge and receipt, in writing, all non-cash gifts. The acknowledgement and receipt of the gift cannot, in compliance with IRS regulations, state the value of the gift, except for publicly traded securities, where the acknowledgement and receipt may state the high, low, and/or median value of the security on the day received by the Foundation. The acknowledgement shall provide a description of the gift, and the Foundation shall promptly complete Part IV of IRS form 8283, and, where required, IRS Form 8282, and deliver the appropriate form to the donor.

C. The Vice President for Advancement shall determine the appropriate signatory for each receipt and acknowledgement prepared on behalf of the Foundation. Generally, gifts of \$1,000 or more shall receive an acknowledgement from the President.

D. Upon request by the donor, duplicate receipts for the donor's past gifts shall be provided by the Foundation. The Foundation shall provide information only as required by law to other parties.

#### V. Recognition of Gifts

A. The Foundation Board of Directors shall recommend appropriate donor recognition for various types and levels of gifts, including, but not limited to: listing in the annual report or other annual, campaign, or published reports; naming of a building, space, room, area, fixture, or object; invitation to special events; and, listing in donor societies, as established by the Foundation.

B. Every effort shall be made where a donor contributes \$25,000 or more, to document the donor's wishes for recognition of their gift through a Gift Agreement, or other written document.

C. Unless a donor affirmatively states that they wish to remain anonymous, the Foundation reserves the right to publicly recognize the donor's gift.

D. Where a donor is deceased, or otherwise cannot be consulted regarding recognition of their gift, the Foundation shall make every effort to contact the donor's next of kin, executor, trustee, guardian, or other individual or organization with ability to assist in devising appropriate recognition plans.