UNIVERSITY OF WISCONSIN OSHKOSH FOUNDATION

GIFT ACCEPTANCE POLICY

Approved by the Foundation Board of Directors 10/23/08

PART ONE: GLOSSARY OF KEY TERMS

Gift: A voluntary transfer of cash and kind, from individuals, industry, foundations and other sources to the University of Wisconsin Oshkosh Foundation ("Foundation") for either unrestricted or restricted utilization in the operation of the University of Wisconsin Oshkosh ("University"). Gifts are made without expectation of return; no consideration—no benefit of any kind—to the donor or to anyone designated by the donor, may result from the payment. Gifts may be monetary (cash, checks, credit cards) or non-monetary (e.g. securities, real property or personal property).

Private Grants: Revenues received by the Foundation from individuals, industry, foundations, governments and other sources, for the support of University programs/projects. Such grants are like gifts—they are donative in nature and they are bestowed voluntarily without expectation of any tangible benefit in return.

Contracts/Research Agreements: Restricted payments received by the Foundation from various contractors, made in accordance with the terms of contracts entered into by the University or Foundation to conduct specific programs. These are not considered gifts, and therefore not subject to this policy.

Official Charitable Receipt: The official charitable receipt is a statement issued by the Foundation to donors that includes a declaration as to the value of the gift, date of the gift and name of the donor. Receipts are normally accepted by the Internal Revenue Service to support the calculation of taxable income.

Gift-in-Kind: Donated tangible and intangible assets and property which represent direct or indirect value to the University, such as real estate, notes, mortgages, limited partnership interests, royalty or copyright interests, services, art, books, equipment, automobiles, inventory, personal property and other physical assets or materials. The Foundation reserves the right to refuse or sell any gifts-in-kind.

Unrestricted gifts: Gifts, given to the Foundation, where the donor has not specified the purpose for which the gift is to be used.

Restricted gifts: Gifts, given to the Foundation, where the donor has specified that the gift is to be used to support a particular purpose. Restricted gifts may be temporarily or permanently restricted.

Gift Pledges: Gift contributions to the Foundation, which are "pledged" over a period of time (normally to a maximum of five years, depending on the size of the gift and the nature of the appeal).

PART TWO: GIFT ACCEPTANCE POLICY

1. BACKGROUND

Charitable contributions to the Foundation are increasingly important. The University of Wisconsin Oshkosh welcomes gifts, which enable it to fulfill its mission of teaching, research and community service.

Through the promotion of voluntarism and philanthropy, the Foundation provides central friend- and fundraising support to assist the University. Federal and state governments encourage voluntary gift support of charitable organizations such as the Foundation, and allow substantial tax relief to donors.

The significance of these tax laws makes it an important obligation of the Foundation to record and acknowledge all gifts received. The Foundation is responsible for issuing official charitable receipts for all charitable gifts received by the Foundation in compliance with the requirements of the Internal Revenue Service and with procedures established by the Foundation. The University of Wisconsin Oshkosh Foundation is a 501(c)(3) charitable organization under the IRS. Its federal tax ID is 39-6076856.

2. RATIONALE

This document has been established to:

2.1 ensure that informed decisions are made on the acceptance of gifts and that such gifts are receipted in accordance with the requirements of the Internal Revenue Service

2.2 ensure that efficient administrative, legal and accounting practices and procedures are followed

2.3 enable accurate reporting of gifts bestowed upon UW Oshkosh and its affiliated organizations

2.4 ensure consistent, equitable relations with donors

In order to ensure that this Policy continues to be effective, it shall be reviewed periodically. The Foundation is responsible for initiating this review (every five years minimum).

3. SCOPE

This policy is established to govern the acceptance of all gifts made to UW Oshkosh and any of its subsidiaries or affiliated organizations, whether such gifts are inter vivos (lifetime) gifts or gifts from estates.

4. POLICY FOR GIFT ACCEPTANCE

4.1 UW Oshkosh holds itself to a high standard of ethical conduct, both within its own community of scholars, students, alumni and employees, and in all of its external relationships and interactions—with businesses and commercial enterprises, with other external organizations and with friends and donors.

4.2 In particular, the Foundation will not accept gifts, enter into business relationships or accept external support that will compromise its public image or commitment to its academic mission and core values as articulated in the University's Governing Ideas.

4.3 UW Oshkosh values and will protect its integrity, autonomy and academic freedom, and does not accept gifts when a condition of such acceptance would compromise these fundamental principles.

4.4 Ownership of all gifts directed to UW Oshkosh vests in the Foundation, whether said gifts are for the benefit of the University generally or for some specific purpose in it.

4.5 The Foundation may elect to accept or decline any gift. The final decision to decline a gift rests with the Foundation Board of Directors.

4.6 Acceptance of any gift contribution which involves a proposal to name is subject to any University or UW System naming policies in effect at the time of the gift, and is conditional upon final approval of the naming by the UW Oshkosh Chancellor and the Foundation Board of Directors.

4.7 Gift Eligibility

4.7.1 The following gifts are deemed eligible for acceptance by the Foundation:

- Outright gifts made with cash, checks, credit cards or securities
- Gifts-in-kind
- Life insurance
- Annuity contracts
- Gifts of residual interest
- Trust agreements
- Bequests
- Real Estate

4.7.2 Publicly Traded Securities: Gifts of securities will be valued at the average market value on the date the full interest in the transferred property is transmitted or postmark date if mailed. It is understood that the donor, in transferring ownership of the securities, is making a charitable contribution and, as such, has no rights concerning the disposition, sale or retention of any securities given to the Foundation.

4.7.3 Privately Held Securities: Gifts of closely held stock will be valued based on a qualified independent appraisal at the time of transfer. Generally, gifts of privately held securities will be accepted only when conversion into cash within a reasonable time frame is expected, and are subject to approval by the Foundation Board of Directors.

4.7.4 Real estate gifts will be accepted only on approval from the Foundation Board of Directors and after a full appraisal of the property done at the expense of the donor. The property, if accepted, may be placed on the market. The Foundation reserves the right to refuse or accept real estate gifts made through estate commitments and planned gifts.

4.7.5 The Foundation reserves the right to refuse any and all gifts of property (tangible goods, artwork, etc.) Donors of such gifts will receive an acknowledgment of the gift only when complete transfer has occurred. The acknowledgment will not include any reference to the value of the gift.

4.7.6 Gifts of service are contributions of actual, billable service directly related to the business or profession of the provider. Gifts of services will be recognized at the level of actual expenses invoiced but not to be paid. Evidence of a gift of service will be a voided or canceled invoice stating

the date, type of service rendered, quantity cost, total cost, and amount to be contributed or forgiven.

4.7.8 Life insurance policies that are no longer needed for family or business purposes can be transferred to the Foundation. A transfer during the donor's lifetime allows the donor to claim a charitable donation equal to the surrender value. All life insurance gifts must be approved by the president of the Foundation.

4.7.9 Planned Gifts: A provision in a will or estate plan allocating all or part of a donor's estate to the Foundation will be accepted. Such gifts will be recorded as expectancies until such time when monies are received. Public recognition or disclosure of these gifts will be made at that time as well, unless the donor has requested anonymity.

4.8 Gift Limitations

4.8.1 When conditions placed on a gift offer are judged to be administratively difficult or not in the University's best interest, the Foundation president, in consultation with other Foundation officials, may request that the terms of the gift be revised, or recommend to the appropriate individual that the gift be declined.

4.8.2 The Foundation will not accept gifts for scholarships, fellowships, awards or other financial aid funds which designate a specific recipient by a donor, if the recipient was not chosen through a selection process administered and managed by the University, its departments or colleges or the Foundation.

4.9 Gift Acceptance

4.9.1 When negotiating a gift on behalf of the institution, individuals shall consult with the Foundation, to ensure due diligence prior to making a decision with respect to a gift which:

4.9.1.1 might expose the University to an uncertain and potentially significant liability

4.9.1.2 is precedent-setting or involves sensitive issues

4.9.1.3 may have come from illegal activities

4.9.1.4 involves a proposal to name

4.9.1.5 because of its unusual nature, presents questions as to whether it is within the role and scope of the University.

4.9.2 The Foundation's solicitation of gifts is informed by and consistent with priorities established by appropriate Foundation processes.

4.9.3 Occasionally, funds sought and contributed for a University purpose are insufficient to make the project viable. If the University is unable to proceed, benefactors will be invited to redirect their contributions to an analogous purpose, and/or to curtail future pledged payments. Funds will be returned per a donor's request, and a 1099 form will be provided for proper tax documentation.

4.9.4 Undesignated gifts shall be used for such purposes as the Foundation judges will best advance its mission and academic priorities. Designated gifts shall be used expressly for the purposes for which they are given, which must be consistent with the University's mission and academic priorities.

4.9.5 Pledges must be received in writing or documented to include the donor's signature.

4.9.6 Any legal vehicles related to gifts (stock transfer papers, insurance beneficiary designations, will, or the like) should identify the organization as the University of Wisconsin Oshkosh Foundation, Inc.

4.10 Gift Receipting

4.10.1 Charitable tax receipts for the Foundation shall be issued solely by the Foundation. This ensures accurate reporting of all charitable gift contributions to the University and its entities, and ensures that donors are recognized for the total of all their charitable gifts.

4.10.2 All eligible gifts will be acknowledged with an official charitable receipt accompanied by correspondence prepared by the Foundation. These documents are deemed to be the official acceptance of the gift and its related terms and conditions, as well as official certification of the donation for income tax purposes.

4.10.3 The University receives many payments that are not considered charitable gifts. Examples include tuition fees paid by students or on behalf of students, contract agreements and sale of services. An "official charitable receipt" shall not be issued for payments of this kind.

4.10.4 Commitments will be publicly recognized and/or commemorated consistent with the donor's wishes. Requests by donors for anonymity will be honored. Permission to publicly recognize a donor and his/her gift will be assumed unless otherwise requested.

5.0 FEES

Administrative fee on endowed funds: Effective July 1, 2008 a 2% annual administrative fee will be charged on all endowment funds. The fee will be calculated quarterly at .50% on the principal plus earnings balance.

Administrative fee on non-endowed (pass through) funds: Effective July 1, 2008 a 1% annual administrative fee will be charged on all restricted (pass through) funds with a positive balance. The fee will be calculated quarterly at .25% of the ending fund balance. The only **exceptions** to this policy are listed below:

- In/out scholarships are exempt. These are defined as funds in which income is collected and disbursed within one year for annual scholarships with a predetermined amount. (If a donor chooses to make a payment to cover awards for more than one year, i.e. pay ahead, this is also exempt from 1% annual fee.)
- Capital project funds are exempt (currently Oshkosh Sports Complex Capital Project, Academic Building, and Baseball Stadium Renovation

Bequests Parking Policy: Effective July 1, 2009 all bequests will be held or "parked" in a separate account by the Foundation for one year. The bequests will be invested in either a money market account or in CDs. All earnings will be used to supplement the operations of the Foundation. Endowed bequests will not be available for spending for two years. The 2% endowed fund administrative fee would not be assessed while the bequest is parked (one year).