Gift and Pledge Policies and Procedures
LOYOLA UNIVERSITY NEW ORLEANS

Revision Approved by the Board of Trustees on October 18, 2013

Introduction

The following policies and procedures are set forth: (a) to define the working rules for fundraising at Loyola University New Orleans; (b) to protect the university, its Board of Trustees, staff, and volunteers; and (c) to inform the university’s advisers, donors, and prospective donors.

It is the general policy of Loyola University and its Board of Trustees: (1) to offer diverse opportunities for gift support of the university; (2) to communicate such opportunities to constituents on a regular basis; and (3) to provide the resources for a full and effective development program for the benefit of both donors and the university.

The Office of Institutional Advancement is the clearinghouse for all fundraising activities of the university. It shall be the responsibility of the Office of Institutional Advancement and its staff, under the direction of the president of the university:

A. To maintain and increase philanthropic financial support for the university;

B. To develop and propose to the Board of Trustees plans for a comprehensive development program, including annual, capital, and planned gift efforts;

C. To advise the Board of Trustees, senior staff, and other volunteers on matters relating to the cultivation, solicitation, and acceptance of gifts in support of the university;

D. To inform, serve, guide, and assist the university’s constituents in fulfilling their family, financial, and philanthropic objectives;

E. To coordinate all fundraising efforts as may involve the several constituencies (Trustees, staff, friends, alumni, corporations, foundations, etc.) of the university by matching donor interests with specific funding opportunities so that prospects and donors are not solicited by multiple individuals on behalf of the university;

F. To undertake research on prospects and donors so as to identify donor interests and to maintain confidentiality with regard to research findings and donor records; and
G. To report regularly to the Board of Trustees regarding gifts, grants, pledges, and planned gift commitments received by Loyola University.

I. **General Policies and Guidelines**

A. Loyola University welcomes expressions of interest and financial support, regardless of size or form, from any individual, family, business, corporation, foundation, or similar source. The development office staff and volunteers are available to meet with any prospective donor(s) and their financial advisers, without obligation, to discuss areas of interest, the plans of the university, types of gift commitments, options for payment, estate planning, and the tax planning consequences of a possible gift commitment so as to provide every possible assistance to a prospective donor.

Although representatives of Loyola University will provide all appropriate assistance, the ultimate responsibility regarding asset evaluations, tax deductibility, and/or similar federal, state, and/or local legal compliance issues rests with the donor(s) and/or with such financial advisers as the donor(s) shall secure.

All donors need competent financial advisers, and representatives of the university will always recommend potential donors obtain such assistance.

B. Gifts to the university should be made in the name of Loyola University New Orleans. All gifts to the university are to be directed in their entirety (including envelope, check, and written correspondence) to the Office of Institutional Advancement, where they will be accepted, acknowledged, and administered in accordance with the policies of the administration and the Board of Trustees.

C. No solicitation of donations or gifts of funds or real property for the benefit of the university shall be made by anyone without the approval of the president of the university, vice president for institutional advancement, or the vice president for institutional advancement’s designated representative.

D. Commitments to Loyola University and/or payment of same may take the form of one, or a combination, of the following:

- Cash;
- Multi-year pledges;
- Appreciated securities or other personal assets;
- Deferred or planned gifts including:
  - Trusts,
  - Annuities,
  - Insurance policies,
Gifts of residence with or without a retained life interest,
Bargain sales,
and/or
Bequest intentions and other revocable deferred gifts.

E. Pledges of outright gifts should be written and should commit to a specific dollar
amount that will be paid according to a preferred time schedule.

<table>
<thead>
<tr>
<th>Pledge Amount</th>
<th>Maximum Pledge Period</th>
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<tbody>
<tr>
<td>Less than $5,000</td>
<td>One (1) year</td>
</tr>
<tr>
<td>$5,000 to $24,999</td>
<td>Three (3) years</td>
</tr>
<tr>
<td>$25,000 and above</td>
<td>Five (5) years*</td>
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* Exceptions can be made for pledges of $1 million and larger.

F. The president of the university, vice president for institutional advancement, or
vice president for finance shall have authority to sign planned giving agreements
on behalf of the university. Any agreement that does not meet the requirements
of the current guidelines shall require the approval of the vice president for
institutional advancement, the president, and, if appropriate, the Board of
Trustees.

G. The Board of Trustees and/or appropriate university officers as authorized by the
president of the university reserves the right to accept (or, in cases where
absolutely necessary, to decline) any commitment that is offered. (See K for
discussion of unacceptable gifts.) They also reserve the right to determine how
any commitment will be credited and/or how such commitments will be
recognized.

Requests by donors for anonymity will be honored.

H. The university will not knowingly seek, nor accept, any commitment regardless
of size, designation, or other condition, which it believes is not in the potential
donor’s best interest.

I. Conflicts of Interest. (See Loyola University’s Conflict of Interest Policy,
approved by the president, June 7, 2011.) Note that acts or allegations of self-dealing are covered by, and should be addressed in accordance with, Loyola’s
Conflict of Interest of Policy.

J. Due to the potential conflict of interest and scope of duties required, Loyola and
its representatives shall be prohibited from serving as an executor of any estate
in which Loyola University is named as a beneficiary.
K. Unacceptable Gifts. Loyola reserves the right to refuse any gift that is not consistent with its mission. In addition to and without limiting the generality of, the following are examples of gifts that will not be accepted by Loyola:

(1) Gifts that create scholarships, fellowships, professorships, chairs, or lecture series with restrictive clauses that:
   - Give the donor or his/her representative the right to designate the recipient.
   - Do not meet the academic priorities of the university.
(2) Gifts that compromise the university’s academic integrity or interfere with the university’s academic freedom.
(3) Gifts that require an arrangement to do business with a specified person or company or future employment at the university.
(4) Gifts that are financially unsound or could expose the university to liability or embarrassment.
(5) Gifts that rely on a third party appraisal provided to the donor that is perceived to be inaccurate or unreliable.
(6) The size or benefit of gifts is perceived to be disproportionate to the work or cost required to sustain the gifts.
(7) Gifts that violate any federal, state, or local statute or ordinance.
(8) Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest in property.

L. Gifts are invested according to policies established by the Board of Trustees.

M. Loyola expresses its gratitude for certain gifts by naming buildings, rooms, programs, scholarships, or other endowments in honor of donors. This practice is governed by the Naming Policy of Loyola University New Orleans, which was approved by the Board of Trustees on May 18, 2012.

II. Policies Pertaining to Certain Types of Commitments

Gifts shall be valued on the date the donor(s) relinquished control of the assets in favor of the university. In cases where gifts are made with assets other than cash, the following guidelines will be observed:

A. Gifts of publicly traded securities will be recorded at the average of the high- and low-market value on the date the donor relinquished control of the assets in favor of the university or other valuation techniques approved by the IRS; such securities will be conveyed to the university’s brokerage account or business office for immediate sale, consistent with the established policies of the university.
B. Gifts of closely held stock will be recorded at the per-share cash purchase price of the most recent transaction. Normally, this will be the buyback transaction of the donor. If no buyback is consummated, a gift of closely held stock may be recorded at the value determined by a qualified independent appraiser. All such gifts of closely held stock will be held until liquidated, at which time the funds will be used consistent with the gift intentions of the donor and the established policies of the university.

C. Outright gifts of real estate, bargain sales, and/or partnerships will be recorded at fair market value at the time such gifts are transferred to Loyola University, less any encumbrances. The fair market value of the property shall be determined by an independent, qualified appraiser paid for by the donor. Appropriate environmental hazard appraisals are also required and are to be paid for by the donor.

Gifts of real estate must be accepted by Loyola University in accordance with federal, state, and local laws governing the university’s acquisition of real property. The Board of Trustees will consider gifts of real property, both improved and unimproved, including gifts subject to a retained life estate, only after a thorough review of the criteria for acceptance set forth in (1) below under the direction and supervision of the assistant vice president for administration, physical plant.

Loyola University shall use extreme caution in accepting gifts of real property that are not in the immediate vicinity of the university since management and oversight of remote properties could impose unacceptable risks and liabilities on the university.

Outright gifts of hard-to-value assets such as mineral rights or limited partnerships will be recorded at $1, and additional credit will be given as the proceeds are received.

(1) Criteria for acceptance of gifts of real estate:

(a) Market Value and Marketability. The assistant vice president for administration, physical plant, must receive a reasonably current appraisal of the fair market value of the property and interest in the property the university would receive if the proposed gift were approved. Development officers will inform the donor that, if the gift is completed, the IRS will require an appraisal made within 60 days of the date of gift. Development officers will communicate to donors that it is the university’s policy to dispose of all gifts of real estate (other than property which the university wishes to retain) as expeditiously as possible. Thus, regardless of
the value placed on the property by the donor’s appraisal, the university will attempt to sell at a reasonable price in light of current market conditions, and the development officer will inform the donor of any such sale occurring within two years of the date of gift and that such sale will be reported to the IRS on Form 8282.

(b) Potential Environmental Risks. All proposed gifts of real property, including gifts from estates, must be accompanied by a Phase I environmental audit performed at the donor’s expense. The only permitted exception to this requirement is for residential property which has been used solely for residential purposes for a significant (at least 20 years) period of time. In cases where this exception applies and no environmental audit is undertaken, the donor/executor must have outside parties complete an Environmental Checklist prepared by the assistant vice president for administration, physical plant, and may be required to execute an environmental indemnity agreement. Even in cases where a Phase I audit is submitted, the general counsel may require that the donor sign a letter indemnifying and holding the university harmless from any and all liability arising from acts occurring prior to the university’s ownership of the property.

(c) Limitations and Encumbrances. The existence of any and all mortgages, deeds of trust, restrictions, reservations, easements, mechanic liens, and other limitations of record must be disclosed. No gift of real estate will be accepted until all mortgages, deeds of trust, liens, and other encumbrances have been discharged, except in very unusual cases where the fair market value of the university’s interest in the property net of all encumbrances is substantial.

(d) Carrying Costs. The existence and amount of any carrying costs, including but not limited to property owners’ association dues, country club membership dues, and transfer charges, taxes, and insurance, must be disclosed.

(e) Title Information. A copy of any title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney’s title opinion, must be furnished.

(f) The information required in (a) through (e) above should not be considered as all inclusive. The offices of the general counsel,
institutional advancement, the assistant vice president for administration, and the vice president for finance and administration, may request additional information be submitted to ensure that due diligence is executed prior to the acceptance of any gift of real estate.

(2) Approval/acceptance process for gifts of real estate:

(a) The assistant vice president for administration, physical plant, with the assistance of the development officer will prepare a written summary of the gift proposal and submit that summary to the general counsel through the director of planned giving. At a minimum, the summary shall include the following information:

(i) description of real property;

(ii) the purpose of the gift (e.g., an unrestricted gift, a gift to fund an endowed chair, a deferred gift) and the department(s), program(s), or endowment(s) to benefit from the gift;

(iii) an appraisal of the property’s and, if different, the university’s interest in the property’s fair market value and marketability;

(iv) any potential for income and expenses, encumbrances, and carry costs prior to disposition;

(v) any environmental risks or problems revealed by audit or survey;

(vi) any potential university use; and

(vii) any special arrangements requested by the donor concerning disposition (e.g., price considerations, time duration prior to disposition, potential buyers, realtors, or brokers with whom the donor would like the university to list the property, etc.).

(b) The general counsel will provide legal advice to the president regarding the proposed property. The president shall communicate the final determination to the vice president for institutional advancement. The vice president for institutional advancement shall communicate the university’s decision to the
donor in writing, including any conditions imposed by the president and/or general counsel prior to acceptance.

(c) If a proposed gift of real property is approved by the president, the director of advancement records will record the gift on behalf of the university upon notice by the general counsel that the property has been properly recorded in the local Conveyance Office or Registry of Deeds. The university will not appraise or assign a value to the gift property. It is the donor’s responsibility to establish a value for the gift and to provide, at the donor’s expense, a qualified appraisal required by the IRS.

(d) The execution and delivery of a deed of gift or other appropriate conveyance will complete the gift. The costs associated with the conveyance and delivery of the gift, including but not limited to recording fees and, if deemed necessary by the general counsel, a current survey, title insurance and/or an attorney’s title opinion, will be either paid by the donor or charged to the fund code of the department(s), program(s), or endowment(s) to benefit by the donation. In addition, the IRS for gifts of real property requires the filing of Form 8283 by the donor. This form should be sent to the director of planned gifts for execution by the university.

D. Outright gifts of tangible personal property for which donors qualify for a charitable gift deduction under current IRS rules will be recorded at the appraised value of the property at the time it is transferred to Loyola University, less any encumbrances. Unless otherwise authorized by the president, and where appropriate, the Board of Trustees, the university will seek to liquidate such assets in order to secure the cash needed to fund its programmatic and/or facility priorities and/or to invest such assets in ways consistent with the currently authorized investment strategies of the university. The preceding sentence shall not apply to gifts of tangible personal property intended by both the donor and Loyola University New Orleans to be retained for the use of the university.

The following are general guidelines or considerations in connection with gifts of tangible personal property:

(1) Generally, the university’s acceptance of such gifts cannot involve significant additional expense for their present or future use, insurance, maintenance, or administration.
(2) Generally, no burdensome financial or other obligations can be incurred, directly or indirectly, by Loyola University as a result of its acceptance of such gifts.

(3) Gifts of real and personal property (land, houses, jewelry, paintings, antiques, rare books, etc.) exceeding $5,000 in value shall be recorded at the fair market value placed on them provided that the university receives a copy of the appraisal conducted by an independent, expert appraiser, paid for by the donor, at the time the donor relinquished control. Gifts less than or equal to $5,000 may be reported at the value declared by the donor or a qualified on-campus expert (e.g., librarian, art professor, etc.).

(4) The university will not accept gifts of tangible personal property (such as books, paintings, etc.) if such gifts are to be made on the condition, understanding, or expectation that the gifted items will be loaned to the donor or to persons designated by the donor for life or for an extended period of time as determined by the donor.

(5) Any gifts-in-kind which could be liquidated will be recorded on an item-for-item basis.

E. Fully paid up, or otherwise vested, insurance policies for which Loyola University is owner and sole beneficiary will be recorded as “future” expectancies of the university at the unrealized death benefit (face value) of the policy in cases when the insured is age 65 or older, and at the replacement value for donors younger than 65. See Section III, D below for administrative procedures related to gifts of life insurance.

F. Bequest intentions, commitments of unpaid insurance policies, and other revocable deferred gifts will be recorded as “future” expectancies of the university at the value established in writing by the donor through a bequest intention form, a deferred pledge agreement, a contract to make a will, a letter, or a copy of appropriate sections of the will or of the insurance or trust document, etc.

(1) Such revocable gift commitments will be permanently commemorated, subject to the donor’s specific request and intent, only when the funds are irrevocably committed to the university or when the gift matures. The preceding will not apply to commemoration of planned gifts through membership in any planned giving recognition society; the Heritage Society, as an example.

(2) Bequest intentions and other revocable deferred gifts for which the donor does not indicate a specific gift value and/or does not provide an estimate
of a residuary bequest will be recorded as future expectancies at a minimum value level of $1,000.

G. Bequests and other deferred gifts will be recorded as received, if not reported in a previous campaign. Such gifts will be recorded at the value established at the time of probate and/or at the fair market value on the date of the transfer of the asset(s).

H. All gifts that will, or may, require expenditure of funds either at the time of the gift or at some future date (e.g., non-performing assets gifted to fund a charitable trust or charitable gift annuity, bargain sales, outright gifts such as real estate that may impose present obligations on the university) shall require the approval of the Endowment or Institutional Advancement Committees of the Board of Trustees.

I. Gift annuities, irrevocable charitable remainder trusts, and similar life income agreement commitments (whether administered by the university or by others on behalf of the university) will be recorded as follows:

1. At the fair market value of the asset (on the date of transfer, less any encumbrance) being used to “fund” the life income agreement in the case of charitable remainder unitrusts, annuity trusts, and charitable gift annuities for life beneficiary or beneficiaries age 60 and older at the time of their first life income payment.

2. At the discounted present value of the remainder interest allowable as a deduction by the Internal Revenue Code, in the case of charitable remainder unitrusts, annuity trusts, and charitable gift annuities for life beneficiary or beneficiaries below age 60 at the time of their first life income payment.

3. In the case of charitable lead trusts, at the total anticipated payout over the pledge payment period plus (for commitments made during any campaign period) the present value of any remaining income interest.

For purposes of current income tax deductions, such gifts will be receipted at the charitable deduction value as established by law.

Generally speaking, the university does not encourage donors to place encumbered assets into a trust.

When a trust is to be funded with hard-to-value or non-income-producing property, a net income unitrust will generally be used. Such a trust obligates the trustee to pay only the lower of a specified percent of fair market value or actual
income. When such a net income unitrust is used, a separate letter of agreement should be signed by the president of the university and the donor, indicating that the donor understands the income concept of the net income trust. A “catch-up” provision as allowed by a unitrust may also be acceptable.

### III. Administrative Procedures Relating to Certain Planned Gifts

#### A. For Life Income Agreements

1. Proposed charitable gift annuities should be funded initially with assets of at least $10,000 consisting of cash or marketable securities.

2. The interest rate used in preparing life income agreements will be as follows:
   
   a. For charitable gift annuities, no higher than the rate recommended by the American Council on Gift Annuities.
   
   b. For unitrusts and annuity trusts, a rate of at least five percent. Higher rates may be approved by the Endowment Committee of the Board, based on:
      
      (1) The ages of the donor and any beneficiaries; and
      
      (2) Income needs vs. tax relief.

However, the director of planned giving will be given authority to negotiate rates on charitable gift annuities, charitable remainder unitrust, and charitable remainder annuity trusts, provided that such rates be within one percentage point of the maximum rates recommended by the American Council on Gift Annuities effective at the time of the gift or the establishment of the trust. Charitable remainder trusts will be marketed with a rate slightly lower than charitable gift annuities because of the higher administrative costs. In the event that the rate does not fall within the limitations above, the director of planned giving will obtain the approval of the vice president for institutional advancement. Any such deviation from this policy will be reported to the Endowment Committee at its next regularly scheduled meeting.

3. Funds received for annuities and trust agreements are administered by the director of planned giving. Separate accounting is provided to the donor on each life income agreement. Annuity or trust payments shall be made at the donor’s choice: monthly, quarterly, semi-annually, or annually. In order
to control the cost of trust and annuity administration, Loyola University prefers to make payments quarterly or semi-annually.

B. For Charitable Remainder Trusts

(1) Proposed charitable remainder trusts should be funded initially with assets of at least $50,000. Trusts may be established for lesser amounts if it can be determined that the charitable remainder portion of the gift is sufficient to handle the administrative costs and provide a substantial future gift to the university.

(2) Trusts should be limited to one or two income beneficiaries and to beneficiaries over 40 years of age (unless some generous outright gift is combined with the trust, in which case trusts can include younger beneficiaries).

C. For Retained Life Estates

The gift of a primary residence, a vacation home, or a farm with retained life interest on the part of the donor shall be arranged without a trust agreement. The donor deeds the property to Loyola University immediately. Calculation of the remainder interest, which is allowed for federal income tax deduction, is based on an IRS formula.

D. For Life Insurance

Gifts of life insurance may be accepted by the university after ownership is transferred to the university, the university is named beneficiary, and cost and/or replacement value has been established by the insurance company. All gifts of life insurance must comply with applicable state insurance regulations, including insurable interest clauses.

IV. Policies Pertaining to Endowment Funds and Restricted Gifts

A. Unrestricted gifts shall be encouraged unless the donor indicates that he or she is only willing to make a restricted gift.

In drafting instruments for the gift of restricted funds to Loyola, donors and their advisers shall be encouraged to use language that would permit application of the gift to a more general purpose if, in the determination of the Board, the designated purpose is no longer feasible or practicable.
B. For the purposes of this policy statement, “endowment fund” shall refer to any fund, or any part thereof, not wholly expendable by the university on a current basis under the terms of the applicable gift instrument.

Endowment funds are invested according to policies established by the Board of Trustees.

C. Endowment gifts may be used to establish a special endowment fund or may be added to an existing endowment fund.

D. Persons interested in establishing an endowment fund are encouraged to consult with the vice president for institutional advancement or his/her designated representative prior to making the gift so that the donor’s intentions are appropriately established in writing through a gift agreement. Negotiation of any endowment agreement on behalf of the university shall be done over the signature, and with the full knowledge, of the president of the university and in compliance with university policy.

In designating an endowment gift for a specific purpose, the donor is encouraged: (a) to describe that purpose as broadly as possible; (b) to avoid detailed limitations and restrictions; and (c) to provide a clause granting the university maximum flexibility to make use of designated funds in a manner most consistent with the intent of the donor and with the interests of the university should programmatic or other developments make it impossible or impracticable to apply the endowment proceeds to the purpose for which it was originally designated.

E. Gifts to establish endowment funds for specific purposes must meet the minimum dollar requirements set by the Board of Trustees. The principal amount of the original gift need not meet the minimum dollar requirement if the donor agrees to fully fund the endowment at the minimum dollar requirement within a specified and reasonable period of time. Minimum dollar requirements may be changed from time to time at the sole discretion of the Board.

The minimum dollar requirements established by the Board of Trustees for an endowment fund shall not apply to any endowment fund(s) already established at the time these policies are adopted.

Loyola University reserves the right to review the minimum amounts required for endowments periodically and to amend the minimum amount required so as to ensure that endowment proceeds are sufficient to fund the intended purpose(s) of the endowment. If and when the university acts to increase the minimum amount required establishing a particular endowment fund, such action shall not be retroactive to funds already established.
See Naming Policy of Loyola University New Orleans, which was approved by the Board of Trustees on May 18, 2012.

F. Endowment Levels:

(1) A minimum of $25,000 is required for a fund to be endowed.

(2) The minimum endowment level for a professorship is $100,000 in private funds. Some professorships are eligible to be matched by a grant from the Louisiana Education Quality Support Fund Endowed Professorship Program sponsored by the Endowed Professorship Program of the Louisiana Board of Regents. Once sufficient non-state monies have been raised, Loyola may apply to the Board of Regents for matching funds. (See note in Section V, C and D (12) on matching government funds.)

(3) The minimum endowment level for a chair is $2,000,000 in private funds. Some chairs are eligible to be matched by a grant from the Louisiana Education Quality Support Fund Endowed Professorship Program sponsored by the Endowed Professorship Program of the Louisiana Board of Regents. Once sufficient non-state monies have been raised, Loyola may apply to the Board of Regents for matching funds. (See note in Section V on matching government funds.)

G. Funds that have not reached the minimum endowment level after a period of five years from the initial gift will be released from the endowment fund after the university has made an attempt to notify the donor(s). The funds raised will immediately be available for the purposes that closely approximate the donor’s original intent, if not possible or practicable, shall immediately be made available for current use.

Endowed funds will be held in a holding account until they reach the minimum level.

V. Policies Specific to Comprehensive Fundraising Campaigns

A. Introduction: The purpose of this section is to summarize the guidelines that will be used to count gifts to comprehensive fundraising campaigns for Loyola University New Orleans. These guidelines comply with standard practices for reports on campaign fundraising progress in institutions of higher education. Furthermore, it is intended that these guidelines be consistent with existing Loyola University New Orleans gifts and pledge policies and procedures.

B. Certain planned gifts, like charitable remainder trusts or gift annuities, will be recognized toward the achievement of the campaign goal in a separate category
of “future commitments” using either of two values: the face value of the gift and the discounted present value of the gift. While the face value indicates the importance of planned gifts in reaching the goal, the discounted present value distinguishes them from outright gifts available for immediate use. Note that these gifts will not be included in the calculation of the achievement of the campaign’s goal until they are realized.

C. Louisiana Board of Regents matching funds to support the establishment of endowed funds, the income of which shall be used to establish scholarships for 1st generation students, distinguished professorships, and chairs for eminent scholars while not counted in the totals of philanthropic contributions in support of a private campaign may be counted in the overall campaign attainment figures, if the campaign’s priorities include scholarship support for 1st generation students and the establishment of endowed professorships and chairs.

D. All other philanthropic gifts to Loyola University during the campaign period will be counted toward the achievement of the campaign goal, in accordance with the following guidelines:

(1) Cash Payments: All outright gifts by cash or check made during the campaign will be credited to the campaign at face value, provided these gifts are not payments on pledges that were counted in previous campaigns.

(2) Pledges: All pledges of five years or less will be counted toward the campaign goal provided that they are initiated during the campaign, and are documented in writing, including pledge amount, designation, payment schedule, donor signature, matching gift information if applicable, and date.

For promises to give greater than $1M, and on a case-by-case basis, the pledge payment period may be extended to longer than five years.

(3) Securities: Securities will be accepted and counted toward the campaign according to the following:

a) Marketable Securities: Such gifts will be valued at the mean market value on the date the donor relinquishes control to the institution, consistent with existing Loyola University New Orleans gifts and pledge policies and procedures.

b) Closely Held Securities: Gifts of closely held stock exceeding $10,000 in value will be reported at the fair market value placed on them by a qualified independent appraiser as required by Loyola University New
Orleans gifts and pledge policies and procedures for valuing gifts of non-publicly traded stock. Gifts of $10,000 or less may be valued at the per-share cash purchase price of the most recent transaction.

c) S-Corporation Stock: Because of significant tax and legal implications for Loyola, proposed gifts of stock in S-Corporations must be authorized in advance by the university’s Board of Trustees and/or appropriate university officers as authorized by the president of the university. For income tax purposes (including substantiation), the donor will need to follow the guidelines for valuation of closely-held stock outlined in paragraph 3b above. For campaign counting and naming opportunity purposes, the donor will be apprised that the gift will be credited at its after-tax value to Loyola.

(4) Property: Gifts of real estate, tangible personal property (e.g. artwork, books, cars, boats, animals, jewelry) and intellectual property valued in excess of $5,000 require an independent appraisal of fair market value paid for by the prospective donor before being credited to the campaign goal.

(5) Charitable Remainder Trusts: Charitable remainder trusts (including charitable remainder trusts administered outside the institution) will be credited to the “future commitments” section of campaign totals at the discounted present value of the remainder interest allowable as a deduction by the Internal Revenue Code, provided Loyola is named irrevocable beneficiary.

(6) Charitable Gift Annuities: Gift annuities will be credited to the “future commitments” section of the campaign totals at the discounted present value of the remainder interest allowable as a deduction by the Internal Revenue Code.

(7) Remainder Interest in a Residence or Farm: A gift of a remainder interest in a personal residence or farm will be credited in the “future commitments” section of campaign totals at the face value of the asset transferred.

(8) Charitable Lead Trusts: For lead trusts whose terms extend within the campaign period, the face value of the income stream may be reported under the current “gifts and pledges” section of campaign totals.

(9) Wholly Charitable Trusts Administered By Others: The fair-market value of the assets, or a portion of the assets, of such a trust administered by an outside fiduciary should be counted in the “gifts and pledges” section
of campaign totals for the year in which the trust is established, provided that Loyola has an irrevocable right to all or a predetermined portion of the income of the trust.

(10) Limited Partnerships, Mortgages and Notes, Patents and Copyrights: Acceptance of these types of gifts requires prior approval by the university’s Board of Trustees and/or appropriate university officers as authorized by the president of the university, and will be determined on a case-by-case basis. Those that can be assigned a fair market value will be counted toward the campaign.

(11) Non-Government Grants and Contracts: Grant income from private, non-government (domestic) sources, or foreign governments should be reported; contract revenue should be excluded.

(12) Matching Funds: Gifts received in cash from organizations or corporations to match gifts of cash or securities by individuals associated with that organization or corporation will be credited to the corporate donor’s gift record for the campaign. The individual donor whose gift is matched will receive associate and recognition credit for the matching amount. Matching government funds (i.e., Board of Regents) will not be counted in campaign attainment figures, though they will be reported as other funds raised as a direct result of private campaign gifts.

(13) Trust and Estate Distributions: All distributions from estates or trusts received during the campaign period will be counted at face value to the extent that no gift amount has been counted in a previous campaign.

(14) Bequest Intentions and Other Revocable Deferred Gifts: Bequest Intentions and other revocable deferred gifts accompanied by appropriate documentation within which a defined gift commitment is specified to be fulfilled by the gift, and adequately documented will be counted to the future commitments section of the campaign totals as follows, subject to the limitation below:

   a) The donor must be age 60 or older. On a limited case-by-case basis, properly verified bequest intentions may be recognized and counted in the campaign future commitments totals for donors who are not yet 60 but will attain the actuarial age of 60 on or before the end of the campaign.

   b) The commitment is for a single life only or all other beneficiaries are also over 60.
c) There is a specified amount or percentage specified in the will based on a credible estimate of the future value of the estate at the time the commitment is made.

d) The gift amount will be reported at face value in the deferred/future commitment portion of campaign reports.

e) Verification should be provided in one of the following forms:
   1) A letter from the donor or the donor’s attorney; or
   2) A bequest intention form, a deferred pledge agreement, a contract to make a will, a letter, or a copy of appropriate sections of the will or of the insurance or trust document, etc.

(15) Life Insurance: Life insurance policies will be counted in the future commitments section of the campaign totals only if Loyola is the owner and irrevocable beneficiary of the policy and the policy is fully paid-up.

a) Life insurance policies will be counted in one of two ways:
   1) If the donor is less than 60 years of age, the policy will be counted at the interpolated terminal reserve (approximately the cash surrender value), in the future commitments section;
   2) If the donor is 60 years of age or older, the policy will be counted at the death benefit value, counted at the face value in the future commitment totals.

b) Realized Death Benefits: The insurance company’s settlement amount for an insurance policy whose death benefit is realized during the campaign period, regardless of whether the policy is owned by Loyola, will be counted in campaign totals, to the extent that no gift amount was counted in a previous campaign.