The following are brief descriptions of different kinds of gifts that can be made to the University of Alaska:

1. **Cash Gifts**
   a. Credit Cards
   b. Payroll Deductions
   c. How to Wire Funds

2. **Life Insurance**

3. **Charitable Remainder Trust**

4. **Charitable Gift Annuities**

5. **Pledges**

6. **Personal Property**

7. **Real Property**

8. **Stocks and Mutual Funds**
   a. If stock certificates are held at a brokerage
   b. If the donor holds the actual securities
   c. If donor is donating shares of a mutual fund
   d. Valuation and effective gift date

9. **Bequests**

10. **Grants**

1. **Cash Gifts**

   Checks, money orders, cash, bank drafts, electronic fund transfers and credit card gifts payable to the UA Foundation or the fund the donor wishes to contribute to.

   **Credit Cards**
   - The Foundation does not accept American Express or Discover cards. Most other major credit cards are accepted.
   - Charges to the Foundation cannot be made using electronic charge machines unless a separate machine (with a discrete Foundation merchant identification number installed) and its own phone line are obtained by the department desiring to raise funds by charge card.
   - Charges may be made using mechanical charge machines which are available on each campus or from the Foundation office. These machines are designed to provide...
mechanical charging abilities over the short term for special events etc. Long term use of mechanical charge machines can be arranged through the Foundation as well. Credit card charge slips for mechanical machines are available from the Foundation or from the campus development office.

- Charges may also be made in writing. Regardless of how the department or unit obtains such charges, a standard credit card charge slip will need to be filled out for each person making a charge. The charge slips should be routed to the Foundation via the normal route used for sending gifts to Foundation accounts (through the development office in most cases) and should appear as discrete items on the bank deposit form accompanying Foundation deposits. The charge slip should state clearly which Foundation account is receiving the gift or payment.

- The Foundation will not verify the credit of credit card purchasers. If departments wish to verify such charges they will need to do so on their own. Charged gifts which are later voided due to insufficient funds will be voided on the Foundation's accounts.

- The charges assessed by the credit card companies for gifts made via charge card are assessed against the Foundation fund into which the charged gift is placed.

- The Foundation will provide a standard receipt to donors for gifts made via charge cards.

**Payroll Deductions**

- Gifts can be made to Foundation accounts through UA Payroll Deduction.

- Requirements for Payroll Deductions
  1. The minimum deduction per pay period into any one existing Foundation account or for any single purpose including an "other" category is $10.
  2. The minimum total deduction amount to any one existing account or for any single purpose including an "other" category must be a minimum of $100.
  3. The following information must be received for each portion of the donor's deduction going into each Foundation account or for each purpose (including an "other" category):
     - Deduction per pay period to that account or purpose: $ ($10 min.)
     - Total deduction to that account or purpose: $ ($100 minimum).
     - The Staff Contribution Form must be completed and submitted to the appropriate Foundation Office.
     - If the deduction is accomplished using a form other than the standard Staff Contribution Form, the form must, in addition to providing the information listed in 3., above, list the name and account number of the Foundation account into which the deduction is to be placed (If no such account exists, the form must contain the account number for the respective campus donation holding account.)
• How Deductions Will Be Managed
  1. Deductions into existing Foundation accounts will be automatically placed accordingly.
  2. Deductions into an "other" category or for purposes for which no Foundation account exists, will be placed into the respective Campus's Restricted Donation Holding Account and identified as "payroll deduction."
  3. The Development Office (or other office designated by the development office) on each campus will be responsible for keeping track of the "other purposes" specified by these donors and the balances accumulating for each purpose, for informing the appropriate university departments of the availability of the balances for use, and for assisting those departments in spending those funds. The Development Office may then ask the Foundation to transfer, on a quarterly basis, specified amounts of funds from the Holding account to other Foundation accounts or to reimburse university accounts for expenditures made in accordance with the donors specification of "other purposes."

How to Wire Funds
• To wire funds Please contact the Fund & Gift Services Manager at the University of Alaska Foundation for the applicable MAU, for more information (for UAF & Statewide: Cathy Hagen at (907) 474-2438 or cdhagen@alaska.edu) (for UAA & UAS: Amber Gichard at (907) 786-1016 or argichard@alaska.edu).

IMPORTANT – The following information will be needed before UA Foundation bank account and routing information is given. Note, UA Foundation bank account and routing information cannot be communicated via electronic means.

Information Needed from Donor or Bank before Wire Transfer is Made:
  o If gift is for an Endowment, is the gift $50K or more or less than $50K?
  o If gift is for a Non-Endowment, is the gift $100k or more or less than $100K?
  o Name of Bank Wire Transfer will be sent from
  o Amount of Transfer
  o Estimated Date of Transfer
  o Donor Name/Address/Phone or RE Constituent ID #
  o Purpose of Donation (i.e. fund where gift is to be directed)
  o Donor or Bank Contact Information to Provide UA Foundation Bank Account and Routing Information to

• The donor or bank should call the Fund & Gift Services Manager at the Foundation for the applicable MAU, after the transfer is made (for UAF & Statewide: Cathy
2. **Life Insurance**
A donor can name the Foundation as beneficiary to his/her life insurance policy to provide funds in the future. The donor may also donate the entire policy to the Foundation and receive a charitable deduction for the value of the policy (cash value not face value) at the time the gift is made and for any premium payments made by the donor to maintain the policy after transfer.

3. **Charitable Remainder Trust**
A charitable remainder trust allows the donor to transfer funds or properties to the Foundation. The Foundation will invest the value of the donation, then the donor becomes a beneficiary of regular payments for a specified time period or for life.

4. **Charitable Gift Annuities**
A Charitable Gift Annuity (CGA) enables a donor to make a gift to the Foundation and receive fixed annual payments for life. The payment amount is based upon the size of the gift and the age of the payment recipient; the older the recipient, the larger the payments. A donor and his or her spouse may both be income recipients. An income tax deduction is allowed for a portion of the gift and some amount of the income payments may be tax free. If the gift made to establish the annuity is comprised of highly appreciated assets (stocks), a portion of the capital gain is not taxed and the remainder is reportable over time. The CGA is similar to a commercial annuity but does not result in as high a stream of payments to the donor.

5. **Pledges**
A written pledge can be made for a future gift that will be made by a donor. It is suggested that pledges are not written for more than 5 years outstanding.

See “FORMS” section in online Policies and Procedures Manual for Pledge Form.

6. **Personal Property**
The University of Alaska Foundation can accept personal property (i.e., jewelry, equipment, art, etc.) if it benefits the University and/or can be converted to cash.

See “GIFT ACCEPTANCE” for more information on accepting gifts of personal property.

7. **Real Property**
A gift of real property to the University of Alaska can provide the donor with significant tax benefits and can be of great use to the university either for its educational purposes or to be
sold to provide income to support other programs.

The University of Alaska Foundation accepts, manages and develops real property on behalf of the University. The gift to the Foundation may be restricted to assist specific programs at any institution or campus in the University of Alaska System.

By making a gift of real property to the University a donor may be eligible for several tax benefits:
- A charitable deduction on the donor’s federal income tax for the present fair market value of the property donated up to 30% of donor’s adjusted gross income. Deduction may be spread over a five year period.
- Freedom from paying capital gains tax on the sale of your property.
- Freedom from property taxes donor would otherwise pay on the property.

**Gifts of Real Property through Bequests, Trust or Life Estates**

**Bequests** – A donor may leave real property to the University in their will by simply adding a paragraph or a codicil to the will which identifies the property he/she wishes to give and the University of Alaska Foundation as the recipient.

**Trusts** - A person may donate their property to a trust which they’ve establish with the Development Office which will then pay the donor an annual income from the earnings of the property for the rest of his/her life.

**Life Estate** – A person may donate their property to the Foundation and be given a life estate so that he/she may continue to live in and maintain the property until his/her death.

The specific tax benefits of these three types of gifts vary greatly depending on the individual financial situation of each donor.

**Cautions**

In general, the University does not accept gifts of real property which carry a mortgage or other debt, or property which is restricted in its development or sale. Remnant parcels or low quality property will be analyzed and accepted only if it can provide a benefit to the University. In some cases, for donations into trusts or gifts of buildings, the Foundation may ask that a portion of the gift consist of cash to offset management expenses of the gift.

See “GIFT ACCEPTANCE” for more information on accepting gifts of real estate.
8. Stocks and Mutual Funds

The University of Alaska Foundation can accept gifts of stock in several ways.

*If stock certificates are held at a brokerage:*

- The donor need only to call his/her broker and ask him or her to transfer the number of shares they wish to donate to the University of Alaska Foundation via one of the three brokerage firms below. **Note: Brokers should be instructed not to sell the securities the donor wishes to donate prior to transfer.**

  **E*Trade Financial** - Acct# 5751-5792 / DTC # 0385 *(PREFERRED – Lesser Fees also Apply)*

  Wedbush – *Please Contact your Foundation Accounting Representative for more information if a donor wishes to use this broker.*

  Morgan Stanley – *Please Contact your Foundation Accounting Representative for more information if a donor wishes to use this broker.*

**IMPORTANT** – The following information should be sent via email to: Tammi Weaver @ Tammi.Weaver@alaska.edu; Barney Booyesen @ Barney.Booyesen@alaska.edu; David Woodley @ dswoodley@alaska.edu; and the Fund & Gift Services Manager for the applicable MAU (for UAF & Statewide: Cathy Hagen at (907) 474-2438 or cdhagen@alaska.edu) (for UAA & UAS: Amber Gichard at (907) 786-1016 or argichard@alaska.edu).

- **Information Needed from Donor or Stock Broker before Gift of Stock is Made:**
  - Stock Name (i.e. Abbott Laboratories (Symbol ABT))
  - # of Shares being transferred
  - Donation Goal (i.e. approximate dollar amount of intended donation)
  - Donor Name/Address/Phone or RE Constituent ID #
  - Purpose of Donation (i.e. fund where gift is to be directed)
  - Estimated Date of Transfer

- The broker should call the Fund & Gift Services Manager at the Foundation for the applicable MAU after the transfer is made (for UAF & Statewide: Cathy Hagen at...
If the donor holds the stock certificates:

- If a donor wishes to make a gift of securities and has the actual stock certificates in hand, contact Tammi Weaver @ Tammi.Weaver@alaska.edu; or the Fund & Gift Services Manager for the applicable MAU for instructions on how to proceed (for UAF & Statewide: Cathy Hagen at (907) 474-2438 or cdhagen@alaska.edu) (for UAA & UAS: Amber Gichard at (907) 786-1016 or argichard@alaska.edu).

If a donor is donating shares of a Mutual Fund

Donors wishing to make a gift of units in a Mutual Fund should contact their mutual fund company or broker, if held in a brokerage account, to determine the method required by the mutual fund to make the transfer. We will be happy to assist in completing any required paperwork.

Valuation and Effective Gift Date:

- The gift of stock is valued by determining the mean market price of the shares on the day that the transfer is effective. Transfers of securities are effective, in all cases noted above, on the day that the shares are actually received into the Foundation's account at the brokerage or mutual fund company. In the event that the donor mails the unendorsed certificates (and completed stock power in a separate envelope) directly to the Foundation, the effective date of the gift is the later postmark on the envelopes conveying the certificates and the stock power. If the donor conveys the certificates by hand to the Foundation themselves, the effective date is the day the Foundation receives the certificates (and stock power).

- Note: If a donor makes a gift of stock by asking the company to re-issue the stock in the name of the Foundation, the effective date of the gift will not be until the stock is actually re-issued. This may take some weeks to accomplish. Accordingly, the Foundation does not recommend this method. It will work, however, when timing is not critical.

9. Bequests

What is a Bequest?

A bequest is a section of a will which directs the executor of the estate to make a gift from the donor’s assets to the person or institution of their choice after he/she dies. Bequests may be used to provide gifts of money, real estate, stocks, or even works of art or jewelry.
Bequests may also be used to establish charitable trusts which can provide funds for heirs and at the same time set aside funds for the University.

**Does the donor need an Attorney?**
The donor’s attorney should draft or review his/her will. For a bequest to the University we suggest using the below wording. The donor should have their attorney review such wording before signing the will. The donor should also complete a will as part of their overall estate plan. If they already have a will, they may add a "codicil" to provide for a bequest to the University of Alaska.

**Bequest Wording**
The following language may be inserted in the will (or in a codicil to the will) to accomplish a simple bequest to the University of Alaska. For more complex bequests, such as those to establish charitable trusts etc.

I hereby give to the Board of Trustees of the University of Alaska Foundation, a non-profit 501 (C) (3) corporation located at 910 Yukon Drive Fairbanks, Alaska, the sum of $_______ (or describe the property to be given)."

**Specific Restrictions**
Additional wording may be included which gives more specific instructions as to how the bequest is to be used by the University. For example, a donor may specify that the bequest be used to benefit a particular campus of the University system and/or a particular department or program. The donor may also specify a particular use such as for a scholarship, faculty support, or purchase of equipment, etc. Finally, they may specify that the gift be used to establish an endowment which will be used to provide perpetual support. Endowments have a minimum gift level of $25,000 and may carry any name the donor chooses.

**Tax Benefits of Bequests**
Property and assets are subject to an estate tax when a person dies. The tax ranges from 37% to 55% of the value of the estate after certain deductions are subtracted. One of the few deductions which are allowed are those for gifts made through a will to a charitable organization like the University. Thus, depending on the value of the estate and a person’s own financial situation, bequests can result in major tax savings for the estate. Potential donors should consult with their tax accountant as to how a bequest will affect their estate taxes.

**Ideally a bequest should be completed only after consultation with both the University and an attorney so that the donor can be sure that the bequest will accomplish the purpose envisioned.**
10. Grants

A grant may be given from an individual, trust, corporation, business or private foundation. Use of funds are specified in the grant.

Regents’ Policy 05.14.02 makes it clear that the Foundation's role is to accept gifts while the University's role is to handle grants and contracts. Contracts are always handled by the University. Gifts are always handled by the Foundation. Grants often fall into a "gray area." In some circumstances grants are actually gifts and may be accepted by the Foundation without debate. In other circumstances the transactions are truly grants and may only be accepted by the Foundation under very specific situations. Thus, the first task is to determine whether the funds are being provided as a contract, as a gift, or as a grant. See “GIFT ACCEPTANCE” for more information on determining if grant can be accepted into the Foundation.