GEORGIA STATE UNIVERSITY FOUNDATION, INC.

Procedure number/name: 2.2e, Receipts, Acknowledgement, Thank-you Procedure

Issuing date: 12/5/2008 Effective date: 1/1/2009

Related policy number/name: 2.2 Gift Acceptance Policy, Title II, Outright gifts

Procedures Approved by: Vice President for Development/President of the Foundation

I. Introduction

The foundation’s gift acceptance policy contains provisions for the acceptance and valuation of gifts and on the documentation of pledges. The university’s fund-raising policy provides an integrated and comprehensive fund-raising program for the university and designates the foundation as the primary destination for gifts to the university. Both policies give the president of the foundation/vice president for development authority to promulgate procedures in these matters. The purpose of this document is to define a procedure and to clarify roles.

II. Revision history

Original procedure

III. Definitions

A. Gifts. A contribution received by an institution for either unrestricted or restricted use in the furtherance of the institution for which the institution has made no commitment of resources or services other than, possibly, committing to use the gift as the donor specifies.


B. Gift receipts are issued for cash gifts. Gift receipts verify the value of the gift received, state the benefits and the value of benefits given to the donor and contain IRS language on goods and services received. A
gift receipt is the foundation’s official documentation for tax purposes and complies with IRS requirements.

C. **Gift acknowledgements** are issued for non-cash gifts such as gifts-in-kind or securities but do not state a gift amount. A gift acknowledgement is the foundation’s official documentation for tax purposes.

D. **Gift thank-you letters** express appreciation for the gift received and refrain from including information or language that could lead the donor to mistake them for official foundation gift receipts.

### IV. Persons affected

Office of Gifts and Records Management, Office of Donor Relations and University Events, other University staff and units generating gift and pledge thank-you letters, donors who receive these documents.

### V. Procedures

A. **Duties Imposed by U.S. Tax Law.** U.S. tax law and regulations impose duties on donors and charities regarding record keeping and substantiation of charitable gifts reported as tax-deductions.

**Note:** “There are recordkeeping and substantiation rules imposed on donors of charitable contributions and disclosure rules imposed on charities that receive certain *quid pro quo* contributions.

- A donor must have a bank record or written communication from a charity for any monetary contribution before the donor can claim a charitable contribution on his/her federal income tax return.
- A donor is responsible for obtaining a written acknowledgement from a charity for any single contribution of $250 or more before the donor can claim a charitable contribution on his/her federal income tax return.
- A charitable organization is required to provide a written disclosure to a donor who receives goods or services in exchange for a single payment in excess of $75.”

**Source:** Internal Revenue Service, *Charitable Contributions Substantiation and Disclosure Requirements*, publication 1771 (Rev. 5 2007), page 1.
B. Responsibility for issuing gift receipts and acknowledgements. As part of the foundation’s service to donors, all gifts are receipted or acknowledged, regardless of tax law requirements. The Office of Gifts and Records Management has the sole authority and responsibility for issuing gift receipts and gift acknowledgements on behalf of the foundation over the signature of the chief financial officer (CFO) of the foundation.

No gift receipts or acknowledgements are issued for commitments known as planned gifts. The Office of Gift Planning issues the initial acknowledgment which may contain gift valuation. (see Procedure for Acknowledging Planned Gifts)

C. Content of gift receipts and acknowledgements. Gift receipts are issued in a format approved by the President of the foundation and contain these elements, which are either required by the IRS or in addition to these requirements:

- expression of gratitude
- The foundation’s name and logo
- donor’s name
- gift date (date gift is processed)
- total amount received (receipts only)
- value and description of benefits received by the donor
- net amount received (receipts only)
- designation (fund or project supported)
- other IRS required language

D. Responsibility for acknowledging pledges and recurring gifts. Official pledge and recurring gift acknowledgments are prepared by the Office of Gifts and Records Management and issued over the signature of the CFO.

E. Responsibility for issuing university-level gift and pledge thank-you letters. The Office of Donor Relations and University Events prepares personalized thank-you letters from the president of the university for gifts and pledges of $5,000 or more and for all planned gifts.
The vice president for development/president of the foundation issues thank-you letters for selected gifts or pledges, usually at the $1,000 level or above.

F. Responsibility for Issuing Other Gift and Pledge Thank-You Letters. Deans and other university units and individuals may issue thank-you letters but may not issue gift receipts or acknowledgments which are solely within the purview of the Office of Gifts and Records Management.

G. Procedure Review and Approval. Staff designated by the vice president for development/president of the foundation shall review this procedure annually and makes recommendations for changes as they deem appropriate.

HELP

People to contact    Campus Location    Phone Number    Email Address
Director, Gifts and Records Management    534 1PP    3-3446    alumsc@langate.gsu.edu

Additional information and resources

Foundation policies and procedures
2.2 Gift Acceptance Policy, Title II, Outright Gifts
2.3 Gift Acceptance Policy, Title III, Pledges
   2.3a, Pledge collection procedure
2.4 Gift Acceptance Policy, Title IV, Planned Gifts
   2.4c, Planned gift acknowledgement procedure

University policy
13.1 Fund-Raising Policy