



Office of Development and Alumni Affairs

Gift Acceptance Policy

Approved by the Lynn University Board of Trustees
May 2010

Office of Development and Alumni Affairs

Table of Contents

Commitment to Lynn University Donors	Page 2
Purpose Statement	Page 3
Gift Acceptance and Processing Policies.....	Page 4
Outright Contributions.....	Page 6
Pledges	Page 9
Planned Gifts	Page 10
Naming Opportunities	Page 13
Suggested Naming Amounts	Page 14
Glossary of Terms.....	Page 15

Our Commitment to Lynn University Donors

At Lynn University, philanthropy is a tradition of giving to the university in support of its mission and for its general fiscal strength. To ensure that philanthropy merits the respect and trust of our community, our donors and prospective donors, Lynn University's Office of Development and Alumni Affairs is committed to the following standards:

- Constituents are informed of Lynn University's mission, vision and strategic plan including the university's fundraising priorities.
- Constituents are informed of the identity of those serving on the university's board of trustees.
- Philanthropic files and personal information records are kept confidential.
- Gifts are used for the purposes designated by the donor.
- Prompt acknowledgement and appropriate recognition is provided by the university.
- Individuals representing Lynn University are professionals.
- "Anonymous" donors and gifts are appreciated and directives are followed and respected.
- The university and its development office follow the "best practices" guidelines and procedures as provided by the Association of Fundraising Professionals (AFP) and the Council for Advancement and Support of Education (CASE).
- The university and development office will release its mailing list only to businesses which are conducting services on behalf of the university.
- All legal procedures are respected (IRS, State of Florida and Federal).

The Office of Development and Alumni Affairs Purpose Statement

Lynn University is a 501(c)(3) not-for-profit organization. The university accepts gifts and grants that serve its students and support the mission and the strategic plan of the university.

The Office of Development and Alumni Affairs has two purposes:

- To secure financial support through the cultivation of relationships with the university's constituencies (alumni, parents, friends, corporations and foundations)
- To provide an alumni program to engage, inform and educate alumni for a lifetime relationship with their alma mater

The department is responsible for fundraising, coordinating all requests for outside support, and assuring that professional and effective approaches are made to potential donors for support of the university. The university does not accept gifts that are used for purposes outside of the mission and goals of the university. All fundraising for the university must receive approval from the vice president for development and alumni affairs.

The development staff provides appropriate stewardship to inform and engage prospective donors, and to thank and acknowledge benefactors. A gift that is given to Lynn University, whether it is undesignated or given for a particular program, is recorded immediately. Both a tax receipt and a thank you letter are issued immediately. The university advises all donors to seek their own tax and legal counsel and does not render tax, legal or financial advice.

The vice president for development and alumni affairs provides regular reporting of gifts received to the president, cabinet and board of trustees.

The alumni program ensures that all university alumni programs and activities are conducted professionally and are consistent with the overall goals of the university. The alumni staff develops authorized alumni organizations of the university and assists in the planning and implementation of programs and events locally, nationally and internationally.

Gift Acceptance and Processing Policies

Lynn University reserves the right to treat each gift on an individual basis, and thereby reserves the right to accept, reject or modify any agreement and/or gift. It is the policy of Lynn University to gratefully accept gifts of cash, security and property that are designated for the mission of the university.

Authority to Solicit and Accept Charitable Gifts

The president and vice president for development and alumni affairs, on behalf of the board of trustees, are the officers working with relevant individuals and groups to solicit and accept all contributions to Lynn University. All gifts to the university, solicited or unsolicited, of any description are immediately reported to, and receipted by, the Office of Development and Alumni Affairs

The management and reporting of gifts is guided by the standards of accounting and reporting established by the Internal Revenue Service (IRS), the Council for Advancement and Support of Education (CASE) and the National Association of College and University Business Officers (NACUBO).

Naming opportunities and levels of gifts are determined by the university president and the vice president for development and alumni affairs.

Gift Acceptance

As a general rule, a solicitation for a gift or bequest stresses the advantages of an unrestricted gift in the form of cash or liquid securities. Other forms of giving, such as planned gifts, are acceptable and may offer qualified donors an attractive alternative. Such gifts may enable donors to significantly increase the level of their gifts while taking advantage of some meaningful commemorative or named gift opportunities. Individuals should consult their tax advisers concerning the treatment of these specialized gift techniques for their individual circumstances. The university advises all donors to seek their own tax and legal counsel and does not render tax, legal or financial advice.

Gifts are valued on the date the donor relinquishes control of the assets in favor of Lynn University. The university adheres to the rules of gift acceptance required by the IRS:

1. Mail: the postmark date
2. Hand delivery: the date of physical receipt
3. Wire/electronic transfer: the date received in the brokerage account of the university
4. Journal entry: the date of transfer into the university's account
5. Charitable remainder trusts, charitable lead trusts and charitable gift annuities are created on the date they are funded according to the above rules. No payments may be made to an income beneficiary until that date.

When a gift is given to Lynn University, it is not considered legally consummated until Lynn University agrees to the conditions and notifies the donor of acceptance of the gift. If a gift or bequest is received without disclaimer by Lynn University, the university assumes the legal obligation to administer the gift or bequest in a manner consistent with the terms specified by the donor.

Prior to acceptance, restricted gift must be appraised to assure it does not place unreasonable constraints on Lynn University.

Scholarship gifts may not be accepted by Lynn University if they are offered on the condition, or with the understanding, that the award will be made to a student of the donor's choice.

As a condition of gift acceptance, Lynn University pays no fees to any person in consideration of directing a gift or for the completion of a gift instrument to Lynn University.

Outright Contributions

- The Office of Development and Alumni Affairs provides a tax receipt and an acknowledgement letter as well as additional recognition appropriate to the gift level.
- Gifts may be made anonymously.
- The Office of Development and Alumni Affairs is PCI (Payment Card Industry Security Standards Council) compliant for credit card processing.
- Gifts may be made in honor or in memory of individuals. In such cases, the family of the person honored or remembered is given a notice of all donors' names and addresses (if requested). Donors' gift amounts are not shared.

Outright gifts may be given for:

- Current operations (unrestricted or restricted for a particular college, athletics or other purposes)
- Capital purposes (buildings, improvements to facilities and equipment)
- Endowment (unrestricted or restricted)

Outright gifts may be given as follows:

1. **Cash** – Gifts in the form of cash and pledges are recorded in the amount of the actual gift.
 - a. Any amount is welcomed.
 - b. Unrestricted contributions are encouraged. A donor has the option to restrict some or all of a gift to a specific program or department.
 - c. The donor is credited with the full amount of the cash gift. In cases where the donor receives something of value in return for the donation, the donor is made aware of the cost of the benefit received. In these cases, the gift processor deducts the cost of the benefit received against the donation.
 - d. Gifts of cash may be made in the form of currency, personal check, credit card charge, cashier's check or money order. All checks are made payable to Lynn University and not to an employee, agent, or volunteer for the credit of the university. Checks are deposited in the ordinary course of business and no employee or agent of Lynn University shall delay deposit of such.
 - e. Donors may make gifts to Lynn University through donor-advised funds or charitable checking accounts. Receipts are not generated for gifts from donor-advised funds or charitable checking accounts, however, acknowledgment letters are completed as requested by the organizations or charities administering the accounts.
 - f. Donors whose gifts are matched by a company receive soft credit for the matching amount. The donor is recognized for the combined total of the donation and the matching gift in any donor listing. A tax receipt is sent to the matching gift company.
2. **Marketable, Publicly Traded Securities** – Stocks, bonds and other negotiable securities that are regularly traded on a public stock exchange

- a. Marketable, publicly-traded securities are receipted at the average of the high and low market value on the date the donor relinquishes control of the assets in favor of Lynn University or other valuation techniques approved by the IRS.
 - i. Stock certificates mailed to Lynn University are recorded according to the postmark date.
 - ii. Stock certificates sent to Lynn University via a third party provider, such as UPS or Federal Express, are considered to be legal gifts as of the date of receipt by the university.
 - iii. Stock shares transferred electronically are considered legal gifts as of the date the stock is credited to the account of the university.
 - b. Lynn University's policy is to immediately liquidate any gifts of publicly-traded securities unless retention of the specific security is consistent with the university's investment practices.
 - c. If a donor is an officer or director of the issuing corporation, the university inquires as to whether any Securities and Exchange Commission (SEC) Rule 144 restrictions apply that limit the university's ability to sell the donated securities.
 - d. Lynn University does not receive or process proposed transfers of stock that have no current market value (i.e., "worthless stock") at the time a transfer to the university is proposed.
 - e. Securities controlled under SEC Rule 144 are held until the restriction on the sale expires and then they are immediately sold in the manner indicated above.
 - f. If the fair market value of gifted securities is greater than \$500, the donor must complete Section A of Form 8283 and attach such to the donor's current tax return.
3. **Closely-Held Stocks** – A gift of stock of a private or family-held corporation, which includes not only debt and equity positions in non-publicly traded companies, but also interests in limited partnerships and limited liability companies or other ownership funds.
- a. Any amount is welcomed, provided the stock may be readily sold or is likely to be redeemed.
 - b. The donor is credited with the appraised fair market value of the stock, or an estimated value if an appraisal is not available.
 - c. Gifts of closely-held stock exceeding \$10,000 are receipted at the fair market value placed on them by a qualified independent appraiser as required by the IRS for valuing stocks that are not publicly traded. Gifts of less than \$10,000 may be valued at the per share cash purchase price of the most recent transaction. All such gifts of closely-held stock are held until liquidated, at which time the funds are used consistent with the gift intentions of the donor and the established policies of the university.
4. **Gifts of Real Estate** – Gifts of real estate may be accepted by the university. Almost any type of real property can be donated to the university including, but not limited to, personal and vacation homes, farms and ranches, commercial and rental properties, and undeveloped lots. In all cases, an environmental phase one audit is required. The real

estate may be given outright or by using a variety of planned giving methods. In such cases, the university administration works with the donors and legal counsel.

5. **Bargain Sales** – A donor may elect to sell a piece of real estate to Lynn University at a price less than fair market value. The IRS considers the difference between the fair market value and the selling price to be a gift and therefore produces an income tax deduction for the donor. Lynn University benefits by acquiring property or by selling the property to a third party at market value.
 - a. Bargain sales are receipted, reported and recognized at fair market value (less any encumbrances) at the time the asset is transferred to Lynn University. The fair market value of real estate gifted through a bargain is determined by an independent, qualified appraiser in the employ of the donor.
 - b. Gifts of mortgaged real estate are treated as bargain sales are accepted only on prior approval of the president, vice president for finance, and the vice president for development and alumni affairs. Generally, the university does not accept a gift of mortgaged real estate unless:
 - i. There is an assurance that the stated property can be sold within a reasonable period of time.
 - ii. There is substantial equity in the property that will be realized at the time of sale.
6. **Gifts of Tangible Personal Property** (gifts-in-kind) – Gifts of personal property (i.e., antiques, works of art, collections, musical instruments, etc.) are welcomed by the university with prior approval from the vice president for development and alumni affairs and in cooperation with other appropriate university staff. In most cases, the donor is responsible for delivering the gifts to the university.

Gifts of tangible personal property valued at \$5,000 and above are credited and recognized at the appraised value of the property at the time it is transferred to the university. The donor is responsible for securing appraisals on such property according to IRS guidelines. In certain circumstances, Lynn University may secure its own appraisal.
7. **Gifts of Equipment** (gifts-in-kind) – Gifts of equipment may be accepted by the university. However, when such equipment requires additional and/or ongoing maintenance that is not yet budgeted, prior approval must be received from the vice president for development and alumni affairs and other appropriate vice presidents. All gifts of equipment are governed by the policies and procedures applicable to the acceptance of Gifts of Tangible Property as outlined above.
8. **Challenge Gifts or Pledges** – Challenge gifts, grants or pledges requiring matching funds by the university are accepted and acted upon only through collaboration with the university's president and the vice president for development and alumni affairs and other appropriate university representatives.

Note: Lynn University is not able to convert admission deposits from students who have decided not to attend the university into charitable contributions. This is in compliance with IRS regulations.

Pledges

1. **Written Pledges** – A donor may stipulate the amount, purpose and payment period in a written pledge form to the institution. A letter of intent from Lynn University to the donor may outline the same details based on a conversation held with the donor. The pledge form or letter of intent requires the signature of the donor. Copies of the signed pledge form or letter of intent are provided for the donor's and the university's records.
2. **Oral Pledges** – Oral pledges may be made through an authorized telephone solicitation program. These pledges are counted and reported in annual fund totals. A confirmation notice that includes a thank you and a pledge amount is mailed to the donor immediately following the solicitation.
3. **Pledge Write-offs** – The vice president for development and alumni affairs, in consultation with the university president and the vice president for business and finance, makes the final determination regarding write-offs of pledges greater than \$5,000.
4. **Capital and Endowment** – Once a year the development office reviews all “old” pledges, including:
 - a. Partially paid pledges dated two or more years prior to the end of the last fiscal year and for which payments should have been, but were not, received.
 - b. Pledges for which no payments at all have been received.
 - c. The vice president for development and alumni affairs determines whether these pledges should remain open or be written off.
5. **Annual Fund Pledges** – The purpose of the annual fund is to generate operating support to the institution for the current fiscal year.
 - a. A review of annual pledges of more than \$1,000 is conducted by the vice president for development and alumni affairs and the director of annual programs.
 - b. Within 30 days after the close of the fiscal year, all open pledges of less than \$1,000 are automatically written off.

Planned Gifts

Deferred gifts, also called “planned gifts” or “future commitments” are different from outright gifts, as Lynn University does not realize an asset until some point in the future. It is for this reason – the uncertainty of timing of realization – that the university records deferred gifts separately from outright gifts. The university reports the planned gift’s face value and present value.

Planned gifts may be made through the following:

1. **Bequest by Will or Living Trust** – A donor may name Lynn University as beneficiary in his/her will or trust directing that Lynn University receive an outright distribution or annual payments from the donor’s estate.
2. **Gifts of Retirement Plan Assets** – A donor may contribute retirement plan assets to Lynn University by means of testamentary bequests and transfers to charitable remainder trusts.
3. **Charitable Trusts** (irrevocable) – Trusts are legal documents and are not the property of the university.
 - a. **Charitable Remainder Unitrust** – This trust pays a set percentage of the trust’s principal, as calculated annually, to the income beneficiary for life or a set term of years (i.e., the amount of the annual payments fluctuate). Additional gifts may be made to the trust at any time. When the income beneficiary dies or the term of years expires, the principal goes to the university and perhaps additional charitable beneficiaries. Trust assets must be managed separately for each trust.
 - i. Proposed charitable remainder annuity trusts for which Lynn University is trustee and/or administrator are funded initially with assets of at least \$100,000.
 - b. **Charitable Remainder Annuity Trust** – This trust differs from the unitrust in that the annual income payment is a set dollar amount determined when the trust is established. No additions to the trust are allowed after the trust is established. Trust investments are managed separately for each trust.
 - i. Proposed charitable remainder annuity trusts for which Lynn University is trustee and/or administrator shall be funded initially with assets of at least \$100,000.
 - ii. Lynn University recommends that trusts be limited to one or two income beneficiaries.
 - iii. Donors are encouraged to name a trust company, the trust office of their bank, or their community foundation as trustee.
 - iv. Charitable remainder annuity trust funds for which Lynn University is named as trustee are managed by professional investment managers selected and advised by the board of trustees (or a committee thereof).
 - c. **Charitable Lead Trust** – This trust pays to Lynn University (and perhaps another charitable organization) a stream of payments for a specified period of years, at the end of which time the assets of the trust are distributed to non-charitable designees (e.g., the donor’s children or grandchildren). The assets of this trust must also be managed separately.

- i. Proposed charitable lead trusts shall normally be funded initially with assets of at least \$200,000.
 - ii. Income received by Lynn University as the result of a charitable lead trust is used and/or invested by the university for the purposes specified in the trust agreement. In those cases where the trust agreement indicates no specific purpose, income received is treated as an unrestricted asset of the university.
4. **Charitable Gift Annuities** (irrevocable) – Annuities are owned by the university and are managed by professional investment managers selected and advised by the board of trustees (or a committee thereof). Proposed charitable gift annuities are funded initially with assets the fair market value of which is at least \$10,000.
- a. **Immediate Payment of Gift Annuity** – In exchange for a gift, the donor/annuitant is guaranteed a fixed annual income during each annuitant’s life. Lynn University is required to maintain gift annuity assets in a separate fund as specified by the State of Florida. Upon the death of the annuitant(s), the funds are directed to the university as designated by the donor. The annuity ends with the death of the last income beneficiary.
 - i. Annuity payments are made at the donor’s choice: quarterly, semi-annually or annually. In order to control the cost of annuity administration, the university prefers to make payments annually and by direct deposit.
 - b. **Deferred Payment Gift Annuity** – A deferred payment gift annuity is governed by the same rules described in the preceding paragraph, with the exception that the first annuity payment to the annuitants is delayed for one or more years following the effective date of the agreement. The interest earned in the interim is credited to the contract, which increases the amount of the annuity.
5. **Gift of Life Insurance** – A donor may give all rights to a life insurance policy to Lynn University. The donor makes ongoing annual gifts sufficient to pay the premiums. Such gifts are tax deductible. A donor also may elect to give a single premium policy or paid-up policy (thus, further premiums will not be required).
- a. Lynn University accepts non-fully-paid-up whole life insurance policies if:
 - i. Lynn University is designated as owner and sole beneficiary
 - ii. The original policy is transferred to Lynn University.
 - iii. The donor agrees to continue making premium payments that may qualify for current charitable deductions. Lynn University makes no commitment to continue making premium payments should the donor cease to do so.
 - b. The donor may specify that all or a portion of the proceeds be restricted to a specific program or department.
 - c. Fully paid or functionally equivalent life insurance policies assigned to the university are credited at the net cash surrender value of the policy as irrevocable gifts.
 - d. The assignment of a policy that is not paid up ordinarily is credited at the net cash value of the policy; subsequent premium payments are added to the value credited.

- e. Donors must obtain an appraisal for gifts of insurance valued in excess of \$5,000 and Section B of Form 8283 must be completed and filed with their federal income tax returns. If required, the university will file a Form 8282 if the insurance is surrendered for its cash value within two years of receipt.
6. **Retained Life Estates in Real Property** – In such an arrangement the donor gives a remainder interest in a personal residence, second home or farm. The property is gifted to Lynn University but the donor retains the right to occupy the property until death, at which time all rights to the property pass to Lynn University. The donor usually pays all expenses related to the property during his/her lifetime, but various alternative arrangements may be negotiated by the university president and the vice president for development and alumni affairs.

Naming Opportunities

Lynn University welcomes the opportunity to honor those who support the university. Facilities, spaces, endowments or programs may be named for individuals or entities whose generosity advance the academic mission of Lynn University; further the capacity of the university to meet its teaching and scholarly objectives and to serve its community; and enhance the growth and reputation of the university.

Any decision to construct or renovate a building, establish a chair or create a program is made on the basis of established academic and operational criteria and in keeping with Lynn University established practices and academic mission.

Naming is independent of all appointment, admission and curriculum decisions that Lynn University continues to make in keeping with its established practices and academic mission. To ensure the appropriateness of the honor, Lynn University follows the guidelines listed in this policy as it makes decisions on a case-by-case basis with regard to naming facilities, spaces, endowments or programs.

Individuals, corporations and other organizations may be considered for naming recognition if they have made significant financial contributions to Lynn University related to the naming opportunity. Decisions regarding such recognition are made on a case-by-case basis in accordance with the guidelines below and take into consideration the total cost of the project, the availability of other funds and the level of financial contribution.

In order for a facility, space, endowment or program to be named based upon a contribution, the following general conditions are normally met:

1. The gift must be in irrevocable form or to be paid over a period of no longer than five years based upon a signed commitment. (A deferred gift is not normally acceptable for a facility where construction is dependent upon the gift.)
2. Gifts placed into the endowment are invested as a “pooled fund.” These gifts may be either unrestricted or restricted for a particular use but the endowed funds remain in perpetuity. An estate gift or planned gift may be restricted to the endowment.
 - a. A named endowed fund begins at \$50,000. Such funds may be designated for general use in a program of the university but may not be restricted in such a way that these funds are not usable for the purposes of the university. Exceptions are made only with the agreement of the vice president for development and alumni affairs and the vice president for business and finance.
 - b. Endowed funds are awarded according to a spending policy endorsed by the board of trustees. The award is five percent of the endowed fund’s beginning annual balance. It may not exceed current earnings.
 - c. If an endowed fund dips below its original gift value (in a down market), the administration must determine if any funds are awarded.
 - d. If an endowment fund is no longer usable (according to its designation) the guidelines may be amended by the donor, his/her family or by the board of trustees.
3. In special circumstances (as defined by the board of trustees) the trustees can make exceptions to the above guidelines.

Suggested Giving Amounts for Named Endowed Funds

Endowed Institute, Conservatory, and Colleges – These amounts are determined by the board of trustees

Endowment for the Deans of the Colleges/Institute/Conservatory: \$5 million and above

Endowed Chair: \$2.5 million and above

Endowed Professorship: \$1.5 million and above

Endowed Scholarship: \$50,000 and above

Naming of New Facilities: A minimum gift of 50 percent of construction costs

Naming of Renovated Facilities: A minimum gift of 75 percent of the cost of renovating a facility

Renaming of Existing Facilities (without renovation): A minimum gift of 75 percent of the fair market value of the facility

Tribute Markers: A minimum gift of 50 percent of the cost or value of associated items (e.g. trees, gardens)

Duration of Name

Naming of facilities, spaces, endowments and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment or program. Naming associated with a particular facility, space, endowment or program does not preclude further naming within the facility, space, endowment or program.

If circumstances change substantially at any time following the approval of a naming so that the continued use of that name may compromise the public trust, the president will consult with the board of trustees regarding future action. The university reserves the right to remove any name that would not reflect positively on the university or would conflict with the purpose or mission of the university.

Glossary of Terms

Alumni includes all former students – full or part time, undergraduate or graduate – who have earned at least 24 credit hours toward one of the degrees, certificates or diplomas offered by Lynn University and who have separated from the university.

Annual fund is an annually occurring fundraising program seeking, and resulting in, restricted and unrestricted gifts to Lynn University for current year operations.

- *Unrestricted* annual fund dollars are used for immediate needs as defined by the administration of the university.
- A *restricted* annual gift supports a designated program of the university and/or is described for a particular function within the program and college.

Capital projects may be funded with gift designations for building/renovation purposes and/or for equipment and beautification purposes.

Corporations include corporations, businesses, partnerships and cooperatives organized for profit-making purposes, including corporations owned by individuals and families and other closely held companies. This category also includes company-sponsored foundations – that is, those created by business corporations and funded exclusively by their companies – as well as industry trade associations.

Donors are individuals who contribute gifts voluntarily and without expectations or contracts.

Endowment funds are those that donors specify are to be retained and invested for income-producing purposes. Income from endowments can be either restricted or unrestricted, based on donor direction.

- *Unrestricted*—Gifts designated by the donor for endowment, but for which the donor has made no restriction regarding the use of the income produced by the endowment, regardless of any subsequent allocation Lynn University may make.
- *Restricted*—Gifts added to the endowment funds of the university by donor direction, from which the income is limited by the donor for specific purposes or programs.

Fiscal year for Lynn University is July 1 – June 30.

Foundations include personal and family foundations and other foundations and trusts that are private, tax-exempt entities operated exclusively for charitable purposes. It does not include company-sponsored foundations, which fall under the category of corporations. Personal and family foundations are those that have been established and continue to operate as the conduits for the charitable donations of an individual or immediate member of the family. Other foundations and trusts include all private foundations and charitable trusts that meet the definition above, including most of the major private and community foundations.

Friends include governing board members, faculty, employees, staff and all other donors who are not alumni or parents.

Gift is defined as a contribution received by Lynn University for either unrestricted or restricted use in the furtherance of the university's mission. The university has made no commitment of resources or services other than possibly committing to use the gift as the donor specifies. The contribution is a nonreciprocal transfer in that there is no implicit or explicit statement of exchange, purchase of services or provision of exclusive information.

Gifts-in-kind are generally defined as non-cash donations other than real and personal property, materials or long-lived assets, such as equipment, software, software licenses, printed materials, food or other items used for hosting dinners, etc.

Gifts of service of a person's or organization's time or service are not considered charitable contributions by the IRS, and are not countable regardless of whether the individual assists as a volunteer or as a professional providing a specialized service (e.g., accounting, legal work, consulting, printing). The university may recognize gifts of service but no dollar amounts are recorded or reported and a tax receipt is not issued.

Grants are signed, legally binding agreements by a corporation, foundation or government agency to provide financial support for a specific program, project or activity. A grant is awarded by an organization to further its mission and objectives. Grants are awarded as a form of encouragement without requiring specific results, sponsor control or direction. On acceptance of a grant, Lynn University (grantee) and the grantor are legally obligated to comply with its terms. *(Note: grants require invoicing, financial reports and/or the return of any unspent funds.)*

Parents are individuals, other than those defined as "alumni," who are the parents, guardians or grandparents of current or former students at Lynn University.

Planned gifts, also called "deferred gifts" or "future commitments," are different from outright gifts, as Lynn University does not realize an asset until some point in the future. It is for this reason – the uncertainty of timing of realization – that the university records deferred gifts separately from outright gifts. The university reports the planned gifts' face value and present value.

Pledge is a promise to give. A pledge can be made only by the entity exercising legal control over the assets to be given.

Prospect is an individual or organization that may choose to become philanthropically involved with the university.

Sponsored project contract consists of an agreement by a corporation, foundation, government agency or other entity to provide financial support for a specific program, project or activity. In return, Lynn University agrees to provide project results to the sponsor. A sponsored project contract is not by nature a donation, but is a mutually beneficial arrangement by which the sponsor supports a project with the expectation of benefiting from its results. Most often, results are in the form of a research report or copies of publications. In some cases, results are tangible items produced as a consequence of research. *(Note: sponsored project contracts often require invoicing based on deliverables, financial reports, and/or the return of any unspent funds.)*

**Source: CASE Management and Reporting Standards, third edition*