



Eastern FloridaSM STATE COLLEGE FOUNDATION

DONOR HANDBOOK

The Vision:

“Maximizing donor resources to build futures, transform lives, and promote academic excellence.”

The Mission of the EFSC Foundation:

“The EFSC Foundation cultivates donor and alumni relations to secure the resources required to support scholarships and initiatives to further the college mission.”

Values:

Excellence: To contribute outstanding service to benefit the College

Diversity: To include and recognize all the demographics in our community

Unite: To work together for a common purpose

Creativity: To generate solutions outside the normal channels

Ambition: To achieve a desired common goal

Transparency: To operate with the utmost integrity

Ethics: To perform with virtuous behaviors, ideals, and principles

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INTRODUCTION

On behalf of the Eastern Florida State College Foundation, Inc., I would like to thank you for your contribution to our college to help build futures, transform lives and promote academic excellence in Brevard County.

The EFSC Foundation understands that public trust is vital to the Foundation's vision and mission. The EFSC Foundation must be transparent and accountable to donors, stakeholders, government agencies and future patrons to succeed. Research shows the direct correlation and importance of donor trust and public confidence in an organization and its level of support and success. The EFSC Foundation is committed to maintain donor trust and adhere to established guidelines for handling donations and other business practices.

This Donor Policy Handbook outlines the industry's best practices with the professionalism and integrity essential to establish a thriving and vibrant Foundation which supports the mission of the college, the students, and community.

Thank you for your generous and committed support.

*Jennifer Kriete
EFSC Foundation Director*

Donor Bill of Rights

- To be informed of the organization's mission, intention of use, and capacity to use donations effectively for the intended purpose.
- To be informed of the identity of those serving on the organization's governing board to exercise prudent judgement in its stewardship responsibilities.
- To have access to the organization's most recent financial statements.
- To be assured their gifts will be used for the purposes for which they were given.
- To receive appropriate acknowledgement and recognition.
- To be assured that information about their donations is handled with respect and confidentiality to the extent provided by law.
- To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- To have the opportunity to remove their name from any of the organization's mailing lists.
- To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY: Association of Fundraising Professionals (AFP) Association for Healthcare Philanthropy (AHP) Council for Advancement and Support of Education (CASE) Giving Institute: Leading Consultants to Non-Profits

I. Fund Establishment and Choices

Gift Acceptance Policy

The EFSC Foundation follows guidelines presented in the Gift Acceptance Policy. The purpose of this document is to set forth the criteria that EFSC Foundation uses to determine that a proposed gift is acceptable and to inform the prospective donors and their advisors of the types of gifts the Foundation accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by the Foundation staff.

Establishing a Scholarship

Donations of \$4,999 or less – The donor chooses from the Menu of Opportunities* and their gift goes into that general fund to be awarded to students in the area of designation.

Donations of \$5,000 - \$24,999 - In order to establish a **named scholarship**, there is a minimum \$5,000 gift. These scholarships will be non-endowed. The donor works with Foundation staff to choose a name, and set criteria for the scholarship that is meaningful to the donor and maximizes the award. The donor may choose from the Menu of Opportunities* or something more specific.

Donations of \$25,000 or more - In order to establish a **named, endowed scholarship**, there is a minimum of \$25,000 gift. Donations greater than \$25,000 can be endowed or non-endowed. The donor works with the Foundation staff to choose a name, discuss endowment, and set criteria for the scholarship that is meaningful to the donor and maximizes the award. The donor may choose from the Menu of Opportunities* or something more specific.

*The Menu of Opportunities is listed on page 4.

Once your scholarship is established any donor may contribute to it at any time.

Scholarship Agreements

The legally binding agreement, a Memorandum of Understanding (MOU), that a donor signs to establish the endowed or non-endowed scholarship ensures compliance with the applicable rules and regulations of the Internal Revenue Code. The agreement reflects an irrevocable gift transaction so that the donor receives the maximum tax benefit allowed by law. This ensures the Foundation's continued status as a public charity. Any failure to comply with the IRS rules and regulations could potentially deprive the donor of the tax benefits of a charitable contribution to a public charity.

The agreement also provides variance authority, which reserves the right of the Foundation's Board of Directors to modify any restrictions or conditions on the distribution of funds.

Donating to a Fund

Donor Menu of Opportunities

The Foundation offers a variety of funds to allow donors the opportunity to customize their gift. The donors decide which areas of focus the students will benefit from their generosity.

Four Main Categories:

Annual Fund

General Scholarship Fund-“Rising Titan Scholarship”

Capital Campaign

Planned Giving

More Specific Choices:

- Bachelor's Programs
 - Organizational Management
 - Computer Information Technology
 - Health Sciences
- Career and Technical Programs
- Associates in Science (A.S.)
- Advanced Technical Certificate (A.T.C.)

- Applied Technology Diploma (A.T.D.)
- Post-Secondary Adult Vocational Programs (P.S.A.V.)
- Health Care
- Public Safety Institute
- STEM related fields (Science, Technology, Engineering & Math)
- Athletics
- Book Awards
- SAIL (Student Access for Improved Learning)
- Honors Program
- Programs in Development
- Other: Please Specify _____

Governing Rules and Regulations Applicable To All Charitable Gifts

Nature of Funds. Each gift shall be the property of the EFSC Foundation, Inc. It shall not be deemed a trust fund held by the Foundation in a trustee capacity.

Establishment of Funds and Distributions. Funds may be established by the donation or transfer of assets of money or property whether by contribution, gift, or bequest, or by transfer from a charitable or other organization to further carry out the purposes of the Foundation as set forth in the Articles of Incorporation.

Control of Funds. All gifts, and income derived therefrom, made to the Foundation are irrevocable and are subject to the legal and fiduciary control of the Foundation Board of Directors.

Identification of Funds. Each named scholarship, endowed or non-endowed, shall be recorded on the books and records of the Foundation as an identifiable fund and may be given a name or other designation as reasonably requested by the donor within the limitations established by the Foundation.

Variance Power. The Foundation Directors retain variance power over all funds. This variance power, as required by law, allows the Board of Directors to modify any restrictions or conditions on the distribution of assets.

No restriction permitted. A donor may not impose any material restriction or condition which prevents the Foundation from freely and effectively employing the contributed assets, or the income derived therefrom, in furtherance of the charitable purposes of the Foundation.

Scholarship Recipients. In accordance with IRS standards, a donor may not choose a scholarship recipient under any circumstance.

Inactivity Policies

If for unforeseen reasons contributions and applicable matching funds do not exceed \$5,000 within two years of the last date this scholarship was awarded, the accumulated funds will be transferred to and awarded in accordance with the terms of the Foundation's general scholarship fund.

II. Gifts

The Foundation accepts gifts in many forms as explained below. Gifts may be made to an existing fund or to establish a new fund.

Acknowledgement of Gifts

The Foundation will substantiate all gifts, in a timely manner, by written acknowledgement to the donor. This acknowledgement is in accordance with the IRS requirements and should be used by the donor to support the charitable deduction taken on his/her return.

The Foundation will include the amount of cash and description of any property contributed. Valuation of donated property is the responsibility of the donor.

Gifts Accepted

- Bequest in Will
- Revocable Living Trust
- Gift of Cash
- Gift of Securities

- Gift of Personal Property
- Gift of Life Insurance
- Gift of Retirement Assets
- Gift of Real Estate
- Gift of Retained Life Estate
- Charitable Remainder Unitrust
- Charitable Remainder Annuity Trust
- Charitable Gift of Annuity
- Charitable Lead Trust

III. Investment of Funds

Investment Objectives

The Foundation's assets are to be invested in a balanced portfolio composed of equity, fixed income and short-term investments and, as such, the total portfolio is intended to be less aggressive than equity-oriented portfolios.

Investment Goals

The EFSC Foundation investment portfolio should be managed to maximize the future real purchasing power of the portfolio's assets within the guidelines detailed below. A further objective is to control the short-term volatility of results given the long-term objectives and strategies of these funds.

Given the stated purpose of the EFSC Foundation Investment portfolio, the EFSC Foundation realizes the necessity of a long-term horizon when formulating investment policies and strategies. Most investment styles require a full market cycle to allow an investment manager to demonstrate its ability to add value beyond a passive strategy. A full market cycle is generally referred to as a three- to-five year time period. Performance and portfolio statistics will be monitored on a quarterly basis primarily as a means of identifying developing performance trends and ensuring policy compliance by the investment advisor. The specific objectives of the EFSC Foundation investment portfolio are as follows:

- Asset growth, exclusive of contribution and withdrawals, should exceed the rate of inflation in order to preserve purchasing power of the EFSC Foundation assets.
- Earn an average annual rate of return over the long term that exceeds the return of the target benchmark index.
- It is expected that the long-term rate of return earned by the total portfolio and its segments will rank above the median when compared to a representative universe of other similarly managed portfolios.

Spending Policy for Endowed Funds

The Foundation Board of Directors determine the annual spending amount distributed by each fund by multiplying the distribution percentage (currently 5%) times the fund's average balance for the previous three years, as long as the fund balance does not fall below the minimum required fund balance. "Available to spend" amounts will be based on the above as of the end of the previous year.

All endowed funds are administered in accordance with the Foundation's spending policy.

*Investment Objectives, Goals, and Spending Policy taken from the Investment Policy Statement for Eastern Florida State College December 16, 2013

IV. Financial Reporting

The EFSC Foundation's financial statements are prepared in accordance with generally accepted accounting principles. The Foundation's fiscal year ends on June 30. The Foundation's financial statements are audited annually by an independent accounting firm and are available upon request.

All fund contacts are eligible to receive fund financial reports. These reports summarize fund activity. The Foundation will provide an Annual Report to the Fund Contact.

V. Fund Contacts and Confidentiality

Designation of Fund Contacts

In order to protect your fund and ensure proper communication, all contacts to a fund must be documented with the Foundation. All records pertaining to fund are confidential. It is the Fund Contact's responsibility to update contact information with the Foundation if there is a change.

Donor Privacy

All information concerning donors or prospective donors, including their names, addresses and telephone numbers, the names of their beneficiaries, the amount of their gift, etc., shall be kept strictly confidential by the EFSC Foundation staff and volunteers unless permission is obtained from donors to release such information.

In addition, EFSC Foundation shall obtain permission from donors and/or contacts to use their email address for information and updates regarding their scholarship and the Foundation, including newsletters.