

UNIVERSITY OF SAN AGUSTIN GIFT ACCEPTANCE POLICY

I. INTRODUCTION

A. Brief History of the University

The University of San Agustin (USA) was founded in 1904 through the spirit of Philanthropy that guided the efforts of the Augustinian friars, donors, alumni and personnel of the University.

It was the same spirit of Philanthropy that inspired the University to institutionalize a conscious effort in raising funds for its various needs. Coinciding with its centennial foundation in 2004, the University established the Legacy Trust Fund, a vital component of the 10-Year University Strategic Plan adopted by the Board of Trustees.

The USA Legacy Trust Fund was established to create a reservoir of funds to support the development directions embodied in the University strategic plan. It was to primarily serve as an avenue for alumni and benefactors who wish to share their resources with the University. It made possible the construction of Wenceslao de la Paz Law Audio Visual Center and Josefa C. Castro Audio Visual Room, among others.

This conscious effort to raise funds was further strengthened with the creation of the Philanthropic, External and Alumni Relations (PEAR) Office in 2013, as part of San Agustin's 60th year as a university. Fr. Frederick C. Comendador, OSA, University President, envisioned this office to provide quality support by engaging with the alumni and other stakeholders, assisting the University in scouting and generating funds from generous donors, building a positive image of the University as a Catholic, Augustinian, Filipino educational institution for client satisfaction.

In order to do so, the PEAR Office developed the University's eight major advocacies, namely: (1) Research and Development, (2) Augustinian Formation and Mission, (3) Scholarships, (4) Infrastructure Development, (5) Sports and Youth Development, (6) Culture and the Arts, (7) Human Resource Development, and (8) Protection of the Environment.

In July 2017, the University utilized the USA Research and Development Foundation, Inc. (USA RDFI) to support the donor relations management of the University such as the promotion of its eight advocacies, custodial management of philanthropic funds and provision of tax exemptions to donors.

B. The Eight Advocacies

The University ensures that multi-stakeholder support will have a lasting impact to the Augustinian community by aligning it both with the imperatives of the Strategic Plan and the Eight Advocacies, as follows:

Augustinian Formation and Mission. Support to this University advocacy will impact the Campus Ministry, Spiritual Enrichment Programs, Community Outreach and Extension Programs, Justice and Peace Advocacies, as well as on Human Rights Promotion and Education.

Culture and the Arts. This advocacy aims to support Cultural Heritage Preservation, Continuing Education for Faculty- and Student-Artists, Performance Tours and Art Exhibits, as well as other efforts towards Art Appreciation Promotion.

Human Resource Development. This advocacy will support the University's Faculty and Staff Development Program, Management/Supervisory Development Program, Graduate and Post Graduate Scholarships, as well as training, seminars, workshops, and other career development opportunities for the faculty and staff.

Infrastructure Development. This advocacy will help the University realize its dream of having a modern USA Library, Conference and Seminar Rooms, Mini Theaters, Lecture Rooms, Laboratories, Wellness Center, USA Food Service Center, USA Hostel and Dormitory; it will likewise support Campus Landscaping.

Research and Development. This will impact the USA Professorial Chairs, Publication Grants, Research Grants, Writing Fellowships, Scientific Inventions, Technological Innovations, as well as efforts towards the development of new models or paradigms and the improvement of organizational systems.

Scholarships. Support to this advocacy will impact Academic Scholarships, Culture and Arts Scholarships, Grant-in-Aid Scholarships and Athletic Scholarships, enabling the University to sustain student-scholars who enjoy full or percentage discounts on tuition and/or miscellaneous fees.

Sports and Youth Development. This advocacy will impact the University's Wellness Program, Sports Training Program, Athletic Skills Enhancement Program, and the Provision and Improvement of Sports Facilities and Equipment. It will provide support for involvement in sports competitions and youth development trainings.

Protection of the Environment. This advocacy aims to support the efforts of the University to protect and respect the environment. It will have impact on the Waste Management Program as well as other institutional initiatives promoting ecological awareness, and creating an environment conducive to the general well-being of the members of the USA community.

In order to determine the funding needs and programs of each advocacy, the three Vice Presidents of the University will take charge of the advocacies aligned to their office. The Vice President for Academic Affairs will lead the Research and Development, and the Scholarships advocacies. The Vice President for Augustinian Formation and Mission will champion the advocacies on Augustinian Formation and Mission, Culture and the Arts, Sports and Youth Development, and the Protection of the Environment. The Vice President for Administration and Finance will assume leadership on the Human Resource Development and the Infrastructure advocacies.

II. RATIONALE

The University of San Agustin recognizes that philanthropic support is important in its pursuit of academic excellence and organizational sustainability. Thus, it welcomes gifts and donations that will boost institutional effort towards the enhancement of its programs, facilities and services.

This Gift Acceptance Policy, including its support documents, has been established to provide a general framework in the solicitation, review, acceptance and stewardship of gifts and donations to the University. It sets guidelines relative to the acceptance or non-acceptance of proposed gifts, as well as to the procedure on how these gifts should be received. It offers guidance to prospective donors and their respective advisers.

The USA RDFI will be the receiving body of the donations of all the stakeholders who wish to support the University of San Agustin in any of its Eight Advocacies. The said foundation will enable big donors to receive tax exemption from the resources that they share with the University, as needed.

III. PURPOSE

The University Gift Acceptance Policy has been established to ensure that:

1. The University's principles, policies and procedures are reflected throughout the gift solicitation and acceptance processes;

2. Informed decisions are made as regards the acceptance or non-acceptance of gifts;
3. Gifts are handled in accordance with national and local laws and regulations;
4. Efficient administrative, legal and accounting practices are followed in handling gifts;
5. All gifts are properly and accurately documented; and,
6. Consistent ethical and professional engagements with all benefactors are maintained.

IV. SCOPE

This Policy governs gift acceptance from and solicitation to donors such as individuals, associations, foundations, and corporations, made in support of existing or new initiatives of the University including every unit or any persons authorized by the University.

V. PRINCIPLES

1. The University is committed to the core principles of *Unitas (Unity)*, *Caritas (Charity)* and *Veritas (Truth)*.
2. The University's gift acceptance process is based on and is in accordance with its mission and vision, quality policy, and strategic priorities.
3. The University is a non-stock, non-profit organization registered with the Securities and Exchange Commission and complies with the Tax Code of the Philippines and the Bureau of Internal Revenue regulations.
4. The University complies with all applicable local and national legislations. This Policy and all other University policies, guidelines and procedures were designed to comply with current legislations. In the event of any disparity, local and national laws supersede the University documents.
5. The USA Research and Development Foundation, Inc. (USA RDFI) is a non-stock, non-profit corporation established to support the donor relations management of the University such as the promotion of its eight advocacies,

custodial management of philanthropic funds and provision of tax exemptions to donors.

6. The University is committed to managing actual or perceived conflicts of interest in its acceptance of gifts, in accordance with the University manuals, pertinent memoranda, basic ethical standards, norms of decency and the like.
7. The University assumes the right to ownership to all the gifts it accepts, whether for the general benefit of the University or for some specific purposes in it. If a gift is designated to a unit or department of the University, it shall be deemed as a gift for the University, but it will be used for the benefit of the designated unit or department.
8. The University will not accept gifts where such acceptance would compromise any of its principles.

VI. RESPONSIBILITIES

1. All gift-acceptance must be approved by the University President. All gifts must be received or coursed through the Philanthropic, External and Alumni Relations (PEAR) Office in coordination with the USA RDFI.
2. The PEAR Office is responsible for ensuring that the University's gift acceptance process is compliant with this Policy.
3. The PEAR Office has the authority and responsibility to develop operational guidelines and procedures to support the gift acceptance process, subject to the approval of the President, in compliance with this Policy.
4. Over time, some gift types may emerge, aspects and characteristics of which were not duly considered during the crafting of this Policy. In such cases, the PEAR Director shall recommend the establishment of a specific policy for such gifts; or shall request that the Gift Acceptance Committee conducts a thorough study of such case/s in order to recommend whether accepting or declining a particular gift is in the University's best interest. The standing members of the Committee are as follows:
 - a. Chair, Vice President for Administration and Finance;

- b. Vice-Chair, PEAR Director;
 - c. Member, Administrative and General Services Director;
 - d. Member, Institutional Legal Counsel; and,
 - e. Member, Dean or unit head of the potential recipient of the gift.
 - f. Member, RDFI representative
5. The PEAR Office is primarily responsible for managing the University fundraising activities to meet its objectives, in accordance with the University's mission and vision, quality policy, and strategic directions. All persons and units wishing to raise gift funds for programs or units at the University, must work within plans and guidelines established by the PEAR Office. The PEAR Office must be consulted prior to discussions with potential donors.
6. The PEAR Office shall take care of the acknowledgement and recognition of all gifts to the University. Under the supervision of the Director, it shall oversee the stewardship of the said institutional gifts. It shall make sure that the gift recipient adheres to set guidelines and procedures in receiving and managing gifts.
7. Where reports are provided to donors, such reports shall conform to University policies and legal requirements. The reports shall be prepared by the receiving units, and shall be consolidated and shared with donors by the PEAR Office.
8. The USA Research and Development Foundation, Inc. (USA RDFI) shall support the donor relations management of the University such as the promotion of its eight advocacies, custodial management of philanthropic funds and provision of tax exemptions to donors.

VII. GIFT TYPES AND ELIGIBILITY

1. Gifts to the University can come in the form of cash or non-cash donations.
2. Gifts to the University may or may not be tax receiptable in compliance with the BIR prevailing policies.
3. For accounting and administrative purposes, gifts are classified into two main categories, either as "expendable gifts" or "endowments".
 - a. An "expendable gift" is a gift that will be spent during a limited period of time, in accordance with an established schedule or at the University's

discretion. Once an expendable gift is spent, the associated fund no longer exists, unless a donor replenishes the fund.

- b. An “endowment” is a gift where the capital is preserved and annual expenditures are restricted to a portion of the income from investment. A gift may establish an endowment fund or augment an existing one. An endowment normally exists in perpetuity.
4. Expendable gifts and endowments may be classified as either “restricted gifts” or “unrestricted gifts”.
 - a. A “restricted gift” is a gift where the donor has given specific directions on how the gift will be used.
 - b. An “unrestricted gift” is a gift where the donor has left it to the University to decide how to use the funds.

VIII. ACCEPTING GIFTS

1. The University may opt to accept or decline any gift. When an offer of a gift is judged contrary to the University’s best interest, the PEAR Director or his/her designate may request that the terms be revised or he may decline the offer. When the PEAR Director deems it necessary, he may refer potential gifts to the Gift Acceptance Committee for a case-by-case decision on whether or not accepting a particular gift would be in the University’s best interest, or, on the acceptability of the gift under this Policy. Given their fact-specific nature, case-by-case decisions will not be considered precedent-setting. University policies relating to the approval of contracts and signing authority apply to the sealing of any gift agreement.
2. The University can only accept and recognize a gift that does not come with a special privilege to the donor or to any person designated by the donor.
3. The PEAR Director will consult with the Director for Administrative and General Services and/or with concerned heads of the potential receiving units during the gift acceptance process, in order to consider their views on the acceptance of a potential gift and to confirm their ability and commitment to perform any obligations associated with a gift.
4. Where donors seek to provide an advisory role in the implementation of projects/ programs/ initiatives for which they have provided funding, the

University will consider such request on a case-by-case basis, taking account of relevant legislations and University policies, procedures and authorities.

5. Where gift acceptance involves the naming of any University asset, such naming must be in compliance with the University's Naming Rights Policy.

IX. ACKNOWLEDGING GIFTS

The USA RDFI shall issue receipts and pertinent documents related to philanthropic gifts to the University.

X. UNFULFILLED PAYMENTS

The University will notify donors concerning any unfulfilled payments or pledges, where possible. If, for any reason, a payment or pledge is not fulfilled as outlined in a gift agreement, the University retains the right to redirect any partial funds toward one or more of the areas designated in the gift agreement, or other purposes which are, in the Gift Acceptance Committee's opinion, consistent with the spirit and intent of the donor's gift.

XI. ETHICS AND CONFIDENTIALITY CLAUSE

1. All University employees, volunteers and representatives, acting on behalf of the University, shall conduct themselves in accordance with the accepted professional standards of accuracy, truth and integrity. The PEAR Office shall provide guidelines to all concerned relative to this, from time to time.
2. Information concerning all transactions between a donor and the University shall be held in strict confidence. This information may only be publicly disclosed with the permission of the donor, or in accordance with applicable laws.

XII. EFFECTIVITY CLAUSE

This Gift Acceptance Policy shall be effective after due approval by the Board of Trustees, upon the recommendation of the University President.

XIII. AMENDMENTS

The Gift Acceptance Policy maybe amended by the Gift Acceptance Committee, through the recommendation of the PEAR Director, and upon approval of the University President and the Board of Trustees.

APPENDICES

Appendix A: University Naming Rights Policy