GIFT ACCEPTANCE

Policy Number: OA001EN
Last Review: 30 Sept 2025

1. PURPOSE
AUP is committed to creating fundraising opportunities that support the University's mission and strategic ambitions. This policy articulates AUP guidelines and policies related to the solicitation and acceptance of charitable gifts by The American University of Paris and The American University of Paris Foundation.

2. WHO IS AFFECTED BY THIS POLICY
This policy affects students, faculty and staff, as well as donors to The American University of Paris and to The American University of Paris Foundation. It also affects board members of both The American University of Paris and The American University of Paris Foundation, as well as other volunteers who seek philanthropic support for AUP.

3. LEGAL CONTEXT OR REGULATORY BODY
The American University of Paris, Inc., is a Delaware nonprofit corporation that qualifies as a tax-exempt organization under US Internal Revenue Code Section 501(c)(3), which is eligible to receive charitable contributions that are deductible for US income tax purposes (Tax Identification Number 98-0013023). US dollar gifts are tax deductible to the extent allowed by law. The American University of Paris, Inc. is also an *association 1901 étrangère declarée en France* (SIRET 784 308 272 00037 – Code APE 8542 Z), and contributions are tax-deductible in France according to the tax laws of the country.

The American University of Paris Foundation, is a New York nonprofit corporation that qualifies as a tax-exempt organization under US Internal Revenue Code Section 501(c)(3), which is eligible to receive charitable contributions that are deductible for US income tax purposes. Tax Identification Number 13-3276905. US dollar gifts are tax deductible to the extent allowed by law.

As a registered charitable organization and *association à but non-lucratif*, AUP issues French and US gift receipts for all contributions.

The legal definition of a charitable contribution is a contribution that is donative in intent, given voluntarily and without expectation of consideration for which in general no contractual or grant requirements are imposed. Gifts are normally awarded irrevocably. There are two general types of gifts: restricted and unrestricted. Restricted gifts are to be used for a specific purpose as agreed by the donor and the University. Unrestricted gifts can be used at the discretion of University leadership to support the University's mission.

4. POLICY STATEMENT
This policy governs the acceptance and the administration of gifts to The American University of Paris Inc. as well as to The American University of Paris Foundation (USA & France).

4.1 Fundraising approvals
All planned fundraising activity soliciting gifts for The American University of Paris must be approved in advance by the Vice President for Development and Alumni Relations. In the event that advance approval is impractical (i.e. due to an unexpected and time-critical opportunity with a prospective donor) the Vice President for Development and Alumni Relations should be informed as soon as possible.

4.2 Gift Types
The American University of Paris accepts cash gifts by check, credit card, and wire transfer in US Dollars and Euros. It is the donor's responsibility to secure independent legal, tax, financial and estate advice for all gifts to the University. The University will not act as advisor to any donor in any of these respects, though the University will work with a donor's advisors in furtherance of approved gifts.

A) Check: Checks must be made payable to The American University of Paris, Inc.

B) Credit Cards: The American University of Paris accepts VISA, MasterCard, and American Express.
C) Wire Transfers: Donors should provide wiring details (donor name and contact information, date and amount of transfer, along with issuing bank) and gift instructions to the University. The Office of Development and Alumni Relations will coordinate receipt with the University's Finance Department in order to track and properly credit the gift.

The American University of Paris Foundation accepts gifts of cash in US dollars or marketable securities. Gifts to The American University of Paris Foundation may be made for direct support of the University or to the AUP Endowment, which is managed by the Foundation.

Transnational Giving Europe Program (TGE): EU donors are able to support AUP via the Transnational Giving Program (TGE). The TGE network enables donors residing in one of the participating countries (both corporations and individuals) to financially support non-profit organizations in other member countries, while benefiting directly from the tax advantages provided for in the legislation of their country of residence.

Planned Gifts: A planned or deferred gift is a donation to the University to be completed by bequest or life income arrangement. Planned gifts require a written and authorized signed agreement of Planned Gift Intention Form to be filed with the Office of Development and Alumni Relations.

Gift-in-Kind: are gifts of non-marketable assets that are either to be kept and retained for use by The American University of Paris, or to be used in fundraising or for incentives.

A) Gifts-in-Kind to be kept and retained by the University are recorded at their fair market value as determined by an appraiser or under certain circumstances by an appropriate department official. The University requires physical possession of the Gift-in-Kind to effect the asset transfer. The date of gift is the date the deed is signed and the date irrevocable possession of the item is accomplished.
B) Gifts-in-Kind for use of fundraising or incentives are also valued as of the date the gift is irrevocably transferred to the University, regardless of the ultimate funds raised as a result of the gift.

Gifts of Art, Books and Manuscripts: The University will only accept artwork, books or manuscripts that align with its mission and cultural objectives. Before acceptance, all gifts of art, books or manuscripts must undergo review by the University Curator (or equivalent position) and/or Director of the AUP Library, the University Provost, the Office of Development and Alumni Relations, and Legal Counsel.

- Gifts of fine or decorative art, books or manuscripts with a fair-market value exceeding €5,000 require a formal, independent appraisal from a qualified appraiser, in compliance with relevant tax and charitable regulations. The cost of appraisal is borne by the donor, unless agreed otherwise in writing.
- Donors must provide provenance documentation, authenticity certificates, condition reports, and any relevant exhibition, or publication history. Works must be free of liens, encumbrances, or legal claims.
- Acceptance of art, book or manuscript gifts does not obligate the University to cover transportation, insurance, conservation, or installation costs unless explicitly approved and budgeted in a written agreement. Any anticipated expenses must be disclosed and agreed upon by the donor and properly documented in advance of acceptance.
- The University reserves the right to determine the permanent care, display, storage, preservation, or deaccession of donated artworks, books or manuscripts. Deaccessioning will follow institutional procedures and applicable cultural property laws, with proceeds from any sale used solely in support of the University.
- The University will not accept works with outstanding legal or ethical concerns such as looted or illegally exported artifacts or works under dispute regarding ownership, or human remains. Acceptance is contingent upon donor's representation that the gift is lawful, and compliance with applicable national and international cultural heritage regulations.

Gifts of Real Property: The American University of Paris and The American University of Paris Foundation will accept gifts of real property, both improved and unimproved (e.g., detached single-family residences, condominiums, apartment buildings, rental property, commercial property, farms, acreage, etc.), including gifts subject to a retained life estate, only after a thorough review of the following criteria under the direction and supervision of the Business Affairs, Real Estate and Facilities Committee in collaboration with the Office of Development and Alumni Relations:

- Market conditions for resale or the ultimate disposability of the property;

- The condition of any improvements located on the property;
- Current and potential zoning, land use, and concurrency issues;
- Any potential issues involving the property, such as environmental concerns or title defects;
- Any costs associated with holding the property for resale; and
- Other considerations specific to the acquisition of the property.

To minimize the costs of the initial evaluation, the Committee or designee will request copies of the most recent appraisals, surveys, title searches, tax documents, and other pertinent information. Depending on the value and desirability of the gift and other factors, the donor may be asked to pay for all or a portion of the following:

- Costs of environmental remediation;
- Maintenance costs;
- Real estate taxes;
- Insurance;
- Title insurance premiums;
- Survey costs;
- Real estate broker's commission and other costs of sale; and
- Appraisal costs.

If a donor intends to obtain a charitable contribution deduction, the IRS requires that the donor obtain an appraisal if the value of the real property is over €/$5,000. The appraiser must be independent of both the donor and the University or Foundation and meet all requirements set forth by the Internal Revenue Code and Treasury Regulations. For proper accounting, marketing, and donor recognition purposes, an appraisal that meets current IRS guidelines will be requested for all gifts of real property. The University reserves the right to conduct additional valuations as needed for internal accounting or risk assessment.

Matching Gifts are donations received from a donor's employer based on the donor's gift. For receipt and tax purposes, matching gifts are credited to the corporation or foundation making the match. AUP provides "soft credit" for public gift recognition purposes (see below).

4.3 Gift Acceptance

The American University of Paris will not accept gifts that: are restrictive or inconsistent with the University's mission and priorities; compromise the University's integrity, autonomy or academic freedom; cause the University to breach any applicable policy or law; cause the University excessive expenditure and/or commitment to maintain, administer or comply with the gift and its intended use; may result in reputational risk to the University; are not made in the true spirit of benefaction; are likely to result in a material benefit or advantage being received by the donor and/or their immediate family.

Gifts are normally irrevocable and will not be refunded to the donor.

Gifts may only be accepted or refused by the AUP Board of Trustees, AUP President and staff of the Office Development and Alumni Relations. Potential gifts outside the articulated funding priorities of the University must be reviewed and approved by the Vice President for Development and Alumni Relations before they are accepted.

All proposed gifts or pledges of 10,000(Euros or US Dollars) or more will be documented in a written agreement signed by the donor and authorized representatives of the University and/or the Foundation.

4.4 Gift Recognition

Donors to AUP may be recognized for direct support ("hard" credit) or indirect support they bring to the University such as matching gifts ("soft" credit).

Hard credit is given to the donor of record and is also known as "primary" credit. The donor receives a receipt and is eligible to claim a tax deduction for the gift (to the extent allowed by law). Typically, the legal donor is the individual or entity that issues the check, holds the credit card, or has legal title to the asset (security, real property, etc.).

Soft credit (associated) assigns gift credit beyond the donor of record and is also known as "associated" credit. Soft credits are used by institutions for recognition purposes and to track relationships which may be important for fundraisers. AUP applies soft credits of equal value to the hard credit for the following:

A) Spouses: when one spouse gives a gift and the other spouse has a record in the donor database, the other spouse will be given a soft credit, where appropriate.
B) Grants from Community Foundations, Private or Family Foundations or Trusts, or Donor-Advised Funds: soft credit will be given to the recommending individual. Such grants may not be used to fulfill a pledge made by an individual.
C) Corporate Principals: a "Principal" (or "Key" employee) of a corporation may play a critical role in helping The American University of Paris secure a gift from that corporation. In appreciation, the University may recognize the role the individual played with soft credit for the gift. Decisions on soft credit will be made by the Vice President of Development and Alumni Relations.
D) Corporate Matching Gifts: the employee whose gift is matched will receive soft credit for matching gifts.

<u>Anonymous Gifts</u>: Any donor may request that his/her gift remain anonymous. Requests for donor anonymity should be made in writing at the time of the donation, with clear articulation of how the gift will be recorded for internal purposes.

4.5 Donor Due Diligence

The University is committed to conducting appropriate due diligence on all prospective donors to ensure that the acceptance of gifts aligns with its mission, values, and legal obligations according to the procedures outlined by the Office of Development and Alumni Relations. This process seeks to identify and assess any potential legal, ethical, financial, or reputational risks associated with the donor or the source of the funds. Due diligence may include, but is not limited to, verifying the donor's identity, reviewing public records, assessing the source and legitimacy of funds, confirming compliance with anti–money laundering (AML) regulations, and screening for sanctions, criminal convictions, or adverse media coverage. Care will be taken when accepting donations from jurisdictions with heightened corruption, human rights, or financial transparency concerns.

The University reserves the right to decline any gift if, in its sole judgment, the acceptance would be inconsistent with its mission, could compromise its independence, or may expose it to unacceptable risk. All information collected through due diligence will be handled in accordance with applicable data protection laws, including the EU General Data Protection Regulation (GDPR). Final decisions on the acceptance of high-risk gifts will be made by the University President or the Board of Trustees, in consultation with the Office of Development and Alumni Relations and Legal Counsel.

4.6 Donor Privacy

All information concerning donors or prospective donors, including their names, the names of their beneficiaries, the exact amount of the gift, size of the estate, or any other information for which there is a reasonable expectation of privacy and/or confidentiality is kept strictly confidential by the Office Development and Alumni Relations, unless written permission is obtained from the donor to release such information.

Donor names may be included in published donor recognition lists unless the donor requests anonymity. Written consent may be provided via signed correspondence, a donation form, or other documented communication. AUP will respect the requests of donors who wish to remain anonymous and not be included in published lists of donors.

Only the AUP Board of Trustees and authorized staff members of the Office of the President and the Office of Development and Alumni Relations are permitted to view donor files.

Donors may request a complete copy of their records.

4.7 Gift Administration and Management

The American University of Paris and The American University of Paris Foundation accept gifts in support of The American University of Paris' strategic purposes and objectives, and manages gifts to the University's best advantage. Where a specific designation has been made by the donor and approved by the University, AUP will make every effort to administer the gift according to trust conditions and donor preferences. Where donor preferences are inconsistent with the objectives of the University, the University will endeavor to consult with the donor and use the gift for a purpose as closely aligned as possible to the donor's intent. If for any reason doing so is impossible, the AUP Board of Trustees will have the authority to designate the use of the gift to a purpose beneficial to the University and most closely aligned to the donor's wishes.

The American University of Paris and The American University of Paris Foundation reserves the right to refuse, disclaim, or return any gift that may be deemed to be inappropriate to the effective operation of the University or otherwise inconsistent with the University's mission.

Decisions relating to gift administration and management will be made by the delegate responsible for accepting the gift with the approval of the Vice President for Development and Alumni Relations.

5. RESPONSIBILITIES

The **Office of Development and Alumni Relations** is the authority delegated to accept, record and receive all philanthropic contributions to the University. The office is also responsible for the integrity of gift data recorded and stored in its database for the purpose of donor, departmental and institutional reporting. The Office of Development and Alumni Relations will:

A) Establish best practices for philanthropic activities across The American University of Paris and The American University of Paris Foundation;
B) Solicit donations through a comprehensive portfolio of philanthropic campaigns;
C) Develop and implement all fundraising activities that solicit gifts for The American University of Paris;
D) Maintain personal information on alumni, donors and friends of AUP through use of a secure database;
E) Coordinate negotiation and acceptance of donations;
F) Process, receive, administer and reconcile all philanthropic gifts to The American University of Paris and The American University of Paris Foundation with the assistance of the University Office of Finance & Administration;
G) Create and maintain relationships with donors and prospective donors;
H) Oversee the management and administration of gifts across the University;
I) Collaborate with faculty and staff in the development of gift proposals and implementation of gifts to ensure the best outcomes for the University;

6. DEFINITIONS

A **Gift** is an outright contribution, made on a one-time basis and not in fulfillment of an existing pledge.

A **Pledge** is a written promise to contribute a specified sum of money upon an agreed schedule. Pledges are generally considered to be ethically binding on the donor. To protect and document the interests of both the donor and the University, each pledge requires a signed gift agreement specifying the amount and purpose of the commitment, with a specific payment schedule for the completion of the pledge. Verbal commitments will not serve as appropriate documentation for pledges. Pledge reminders will be issued according to the payment plan.

Securities: AUP accepts contributions of US equities (stocks, bonds, mutual funds, etc.) via The American University of Paris Foundation. Gifts are valued based on the average of the high and low for the date the securities are irrevocably removed from the possession of the donor. For electronic transfer, this is the date the securities enter the AUP Foundation account (not the date a transfer is ordered by the donor or donor's broker).

A **Bequest** is a donation given through an individual's will (e.g., personal property, cash, insurance policies, non-monetary items).

Life Income Gifts, including charitable remainder trusts and annuities, offer donors options for retaining income for a period of years or life in exchange for an irrevocable gift to the University. Life income and other Planned Gifts may offer attractive estate planning strategies for donors.

7. APPROVALS & HISTORY

March 2018: Reviewed by the Office of Outreach and Advancement April 16, 2018: Approved by Leadership Team
November 1, 2021: Next review

September 2025: Reviewed by the Office of Development and Alumni Relations
September 30, 2025: Approved by the Leadership Team
October 1, 2028: Next review

8. ISSUING OFFICE AND CONTACT

The American University of Paris
Development and Alumni Relations
Vice President for Development and Alumni Relations

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