

## Instructions for the Voluntary Support of Education Survey

These detailed instructions for completing the Voluntary Support of Education survey are based on *CASE Management and Reporting Standards: Standards for Annual Giving and Campaigns in Educational Fund Raising*, available from the Council for Advancement and Support of Education (1307 New York Avenue, NW, Suite 1000, Washington, DC 20005, 202.328.2273).

A copy can be purchased from CASE:  
[CASE Management and Reporting Standards](#)

Be sure to also review the clarification and amendment that was issued in 2011:  
[2011 Clarification to Standards](#)

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### Introduction

In 2011, CASE clarified standards about intellectual property rights and patents, conservation easements, and corporate partnerships. VSE survey participants should read the clarification and pay especially close attention to the prohibition on reporting most gifts of software.

Here is an excerpt from the clarification on the topic of software:

*While the recipient organization may be able to use the software, ownership of the software is rarely conveyed and the free use of the software programs is generally reviewed for continued use annually. Therefore, these fall under the IRS definition of "partial interest" (see [IRS PUBLICATION 526](#)) where there is no tax-deductible gift and, therefore, no countable gift.*

In almost all cases, do not count software on the VSE survey. Contact CAE if you are not sure about a particular gift. There is an optional place to record such arrangements in section 4b. Gifts reported there do not roll up into gift totals, but maybe added to them using Data Miner.

**Hard and Soft Credit:** When reporting gift revenues to their own constituencies, institutions may wish to recognize gifts differently than on the survey, which serves as a mechanism for reporting *legal* credit only. For example, a college that receives a gift from a family foundation may wish to give soft credit to the particular family member responsible for obtaining the gift, rather than to the foundation itself. For the sake of the VSE survey, though, the gift should be reported as a foundation grant, both in section 3 of the survey, and in section 4, where alumni participation and trustee giving are counted. (See the Index entry [Credit to Last Entity](#).)

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## Hints and Reminders [[index](#) or [top](#)]

- The VSE survey is submitted online. However, you should print a copy for your own records. If you have any trouble entering data or printing, please contact us so that we can assist you.
- It is a good idea to save your work periodically by saving the page you are working on. Save buttons appear on every page of the survey, at the bottom of the screen. Make sure you save any final changes before exiting your browser or turning off your computer.
- Do not use your browser's *refresh* or *reload* button or command until you have first saved your work by clicking a *save* button at the bottom of the page.
- There is a minimum of information that you must supply to be listed in the final report and be eligible for CASE's Circle of Excellence Awards (which require three consecutive years of data as well as membership in CASE). All of sections 2 and 3 are required. Required fields in section 4A and 4B are identified in the online version by the color red. All of section 1, section 2b, and much of sections 4A and 4B of the full and partial versions of the survey are optional. You can skip the questions entirely.
- If you choose the minimal survey, section 1 and section 2b are still optional, but the rest of the survey contains only required questions, all of which must be answered for full participation. CAE and CASE do not recommend one form

over another.

- Do not report cents. Round all values to the nearest dollar. Where cents are typed in to the form, the system will round them to the nearest dollar.
- In section 1, 2b, and the optional parts of 4A and 4B, indicate Not Answering with a blank. Do not use blank to indicate zero, and do not use zero to indicate not answering. You cannot leave required questions blank, but you should not use zero to indicate that you do not know the value of a required field. It is very important that you enter 0 wherever you want to indicate that no support was received. Do not leave cells blank unless you mean you are skipping an optional question.

## **What to Count as Voluntary Support for This Survey [[index](#) or [top](#)]**

The amounts reported in sections 3 and 4 of the VSE Survey should include only the cash, property, and products received as private, charitable support during the institution's fiscal year. DO NOT include unfilled pledges or testamentary commitments in your gift totals. You may record them in section 1, if you would like to report them. Newly established deferred gifts (specifically: Charitable Remainder Trusts, Charitable Gift Annuities, and Pooled Income Funds) ARE reported on the survey, at both face value and present value, where indicated.

The following are outright, not deferred, gifts, and ARE reported in section 3a or 3b (section 3 on the minimal survey): Life Insurance, Gifts from IRAs, REALIZED bequests.

## **To be included as voluntary support (all gift and grant income) [[index](#) or [top](#)]**

- Gifts and grants to your institution, both for current operations and for capital purposes, regardless of form (cash, products, property, securities, etc.);
- Gifts and grants to affiliated foundations and organizations created to raise funds for the institution;
- Securities, real estate, equipment, property, or other noncash gifts, to be evaluated at the fair market value placed on them by an independent appraiser, not the cash income therefrom;
- Deferred gifts (but not pledges or bequest intentions);
- Cash surrender value of life insurance contracts;
- Insurance premiums paid by donors;
- Cash payments returned as contributions from salaried staff.

## **Not to be included as voluntary support [[index](#) or [top](#)]**

The following types of funds should **not** be counted in reports of annual fundraising results, even if circumstances indicate that the payer regarded them as a contribution:

- Advertising revenue;
- Software licenses and partnerships;
- Contract revenues, including contracted sponsored research funds;
- Contributed services, unless cash payments for the services are then returned as contributions;
- Contributions from cities or regional governments, even though those entities may be incorporated;
- Discounts on purchases, such as the common practice of offering education discounts, but not to be confused with "bargain sales," which are countable gifts;
- Earned income, including transfer payments from medical or analogous practice plans;
- Gifts from affiliated foundations and organizations to the institution (because they are counted when received by the foundation or organization, not when they are passed to the institution itself);
- Government funds, whether local, state (including state matching grants), federal, or foreign, including tribal governments;
- Investment earnings on gifts, even if accrued during the fundraising reporting year and even if required with the terms specified by the donor (the only exception permitted being interest accumulations counted in guaranteed investment instruments that mature within the reporting year, such as zero-coupon bonds);
- Pledges. Although the Financial Accounting Standards Board (FASB) requires certain institutions to report unconditional pledges in their financial statements, these should not be included in annual gift totals of fundraising results;
- Revenue from special education programs;
- Student financial aid when the gift is in support of a specific student identified by name;
- Surplus income transfers from ticket-based operations, except for any amount equal to that permitted as a charitable deduction by the IRS;
- Testamentary commitments (bequest intentions);
- Tuition payments;
- Value of deferred giving contracts terminated due to the death of the income beneficiary during the year. Count deferred gifts when established or added to, not when realized.

## **Gift Valuation [\[index or top\]](#)**

A gift should be valued by the institution on the date the donor relinquished control of the assets in favor of the institution. This treatment follows U.S. Internal Revenue Service (IRS) regulations.

Amounts reported should be determined without regard to either the donor's personal estimation of the gift's value or the worth and date of the gift reported by the donor to the IRS. These standards follow IRS regulations regarding [quid pro quo contributions](#), discounting to present value gifts of future commitments (deferred gifts), and assignment of income. The following guidelines apply to reporting these types of gifts.

## **Assignment of Income** [\[index or top\]](#)

A person may assign to an institution income that the person would have received from a third party as payment for services (e.g., payment for serving on a corporate board, honoraria for speaking engagements, etc.). In such circumstances, credit the gift to the person making the assignment. (U.S. tax rules require that the organization making the payment would report the payment for services as income to the individual. The individual then makes a contribution to the institution in the same amount, and the individual then takes a corresponding tax deduction.)

Nonetheless, if the institution receives the check directly from the third-party organization, knowing that it is a payment for a person's services to that organization, credit it as a gift from the person who performed the services, not as a gift from the third party.

## **Auctions and Other Special Events** [\[index or top\]](#)

Generally, institutions should follow the standards for reporting [quid pro quo contributions](#) when they hold an auction or other special event. They may then report any excess over the [quid pro quo contributions](#) as a gift from the donor attending the event. However, because of the complexity of auctions and other such fundraising events, some *precollegiate* schools handle them independently of the institution's development accounting system. For purposes of these fundraising management reports, those schools *may* choose to report only the net proceeds of such events as gift income, in the column for "Other Organizations."

## **Bequests** [\[index or top\]](#)

Realized bequests (estate settlements) should be counted in outright gift sections 3a or 3b. Estate settlements do not go in section 3c, the section for deferred gifts. Bequest intentions do not go in the main body of the survey at all. They may be recorded in section 1, but they may be omitted entirely from the VSE survey.

## **Cash** [\[index or top\]](#)

Report the amount of cash gifts as of the date the institution receives them. For gifts denominated in foreign currencies, compute the value based on the exchange rate in effect on that date.

## **Charitable Gift Annuities** [\[index or top\]](#)

In the charitable gift annuity transaction, a person irrevocably transfers to an institution some property, such as securities, and the institution agrees in a contract to pay the donor or other beneficiaries a guaranteed annuity for life. Because the transferred

property has a value larger than the value of the annuity, the transaction is in part the purchase of an annuity from the institution and in part a gift to the institution.

Because the institution will not receive the gift portion until the death of the final income beneficiary, report gift annuities as deferred gifts (future commitments). The face (fair market) amount transferred should be reported in the face value column under Section 3 C: "Deferred Gifts." The amount allowable as a deduction under the U.S. *Internal Revenue Code* (IRC) should be reported in the present value column under Section 3c: "Deferred Gifts."

## **Charitable Lead Trusts [[index](#) or [top](#)]**

In a charitable lead trust, a donor transfers property into a trust, creating an income interest in the property in favor of an institution for a stated period. The remainder interest is either retained by the donor or given to another family member. Institutions should report only the income received each year from a charitable lead trust during the period of operation of the trust. In other words, charitable lead trusts are outright, not deferred, gifts.

*Example:* A donor establishes a charitable lead trust with an institution by transferring \$500,000 to the trust and stipulating that \$25,000 will be given to the institution each year for ten years, after which the assets are to return to the donor. Only the \$25,000 received by the institution each year should be entered in the institution's gift totals for that year.

## **Charitable Remainder Trusts and Pooled Income Funds [[index](#) or [top](#)]**

Gifts made to establish charitable remainder trusts (whether administered inside or outside the institution) where the remainder is not subject to change or revocation and gifts made to pooled income funds should be credited as deferred gifts (future commitments) at both the discounted present value of the remainder interest allowable as a deduction by the IRS and at face (fair market) value. The premise underlying the discounting to present value of gifts of a future interest is that the present value of a future interest is less than the face (fair market) value of the assets at the time the gift commitment is made. For the purposes of this report, charitable remainder trusts and gifts to pooled income funds should be reported in section 3C, the deferred gift section, as either gifts for endowment (restricted or unrestricted) or for other purposes, as directed by the donor. Institutions that are doing the minimal survey will also need to know the face and present value of deferred gifts to complete section 3.

*Note:* Details of all charitable remainder trust gifts may not be available to the institution, and thus verification that the institution irrevocably is the charitable remainder beneficiary will not always be possible. Nonetheless, the charitable remainder beneficiary designation must be irrevocable, and verified as such, in order to be counted in fundraising totals.



## **Closely Held Stock** [[index](#) or [top](#)]

Gifts of closely held stock that exceed \$10,000 in value should be reported at the fair market value placed on them by a qualified independent appraiser as required by the IRS or Canada Customs and Review Agency for valuing gifts of stocks that are not publicly traded. In the US, the institution may obtain the appraiser's valuation figure from IRS Form 8283, on which the donor must obtain the donee's signature for all such gifts. This confirmation of receipt (a signature by the nonprofit organization does not signify an approval of the indicated amount) by the donee should be applied only after the donor and his or her independent appraiser sign the document.

Gifts of \$10,000 or less may be valued at the per-share cash purchase price of the most recent transaction. Normally, this transaction is the redemption of the stock by the corporation. If no redemption is made during the reporting period, the gift may be credited to fundraising totals at the value determined by a qualified independent appraiser. For a gift of \$10,000 or less, when no redemption has occurred during the reporting period, an independent certified public accountant (CPA) who maintains the books for a closely held corporation is deemed to be qualified to value the stock of that corporation.

Institutions contemplating accepting gifts of closely held stock must recognize that there is no guarantee that the security can, or ever will be, sold. Given this, there should be a careful review by the institution's Gift Acceptance Committee as to whether the nature of the business they are about to become a partial owner of is consistent with the beliefs and practices of the institution and will not result in any unanticipated unrelated business income tax.

## **Grants and Contracts** [[index](#) or [top](#)]

Reports should include grant income from private, *nongovernment* sources but should *not* include contract revenue. The difference between a private grant and a contract depends on the intention of the awarding agency and the legal obligation incurred by an institution in accepting the award. A grant, like a gift, is donative in nature; it is bestowed voluntarily and without expectation of any tangible compensation. A contract carries an explicit *quid pro quo* relationship between the source and the institution. Government grants and awards, whether local, state (including state matching grants), federal, or foreign, should be excluded. It is noted here again that government grants and other awards, whether local, state, federal, or foreign, should not be included in these reports.

Gifts of life insurance policies can be considered a gift only if the institution has been named both owner and irrevocable beneficiary of the policy. Institutions should adhere to the following standards in reporting this gift:

- Life insurance policies should be reported as an outright gift at the cash surrender value. (Cash surrender values are approximately equal to present value.)

- Premium payments made by the donor directly to the insurer or to the institution, which in turn pays the premium to the insurer, on new or existing insurance policies, should be reported as outright gifts at the full value of the premiums paid. Premium payments made by the institution, with no offsetting payment received from the donor, should not be reported as gift income because they are considered to be operating expenditures. Therefore, any increases in cash surrender values resulting from the institution's premium payments should not be reported as gifts.
- Realized death benefits should be reported as gift income only if the institution has never previously recorded the policy value or any donor-paid premiums as gift income and if the institution has not been paying the premiums. If the values have already been reported, do *not* report as a gift the difference between the previously reported values and the amount of the insurance company's settlement at the death of the donor, because this is a gain on the disposition of the institution's assets. The rationale for this standard is based on the preceding statements for reporting gifts of life insurance; that is, if the donor has paid the premiums, the institution has already annually reported these payments as gifts, and if the institution has paid the premiums, those payments should be considered as operating expenditures.
- If an institution receives the proceeds of an insurance policy in which it was named beneficiary, but not owner, the full amount of the insurance company's settlement at the death of the donor should be reported as a gift on the date the institution receives the proceeds.

### **Marketable Securities [[index](#) or [top](#)]**

Count marketable securities at the average of the high and low quoted selling prices (or the average of the bid/ask in the case of certain securities) on the date the donor relinquished dominion and control of the assets in favor of the institution or trust. If the security was not traded on that date, use the date of the most recent sale. Neither losses nor gains realized by the institution's sale of the securities after their receipt, nor brokerage fees or other expenses associated with this transaction, should affect the value reported.

Exactly when a donor relinquishes dominion and control depends upon the method of delivery of the securities to the institution. These reporting standards do not address the multitude of tax rules regarding the delivery of securities. Institutions should consult with their tax advisers regarding current tax laws.

### **Quid Pro Quo Contributions [[index](#) or [top](#)]**

For *quid pro quo* contributions, report only the amount of the contribution that exceeds the value of benefits the donor receives from the institution in return for the gift. For such contributions, these standards follow the IRS tax rules regarding tax-deductibility of *quid pro quo* contributions.

The IRS defines a *quid pro quo* gift as "a payment made partly as a contribution and partly in consideration for goods or services provided to the "donor" by the donee

organization." The value of the benefits, or "premiums," the donor receives is a key factor in determining the amount of the actual gift. The IRS tax rules on *quid pro quo* contributions provide guidance on this issue.

## **Real and Personal Property and Gifts-in-Kind [\[index or top\]](#)**

Gifts of real and personal property that qualify as a charitable deduction for a donor should be counted at full fair market value regardless of the value the donor may be able to take as a charitable deduction. IRS requirements for gift substantiation note that the donor has the responsibility for valuing property for tax deduction purposes.

Gifts with fair market values of more than \$5,000 should be counted at the values placed on them by qualified independent appraisers, as required by the IRS for valuing noncash charitable contributions. Gifts of \$5,000 and less may be reported at the value declared by the donor or determined by a qualified expert on the faculty or staff of the institution.

Gifts-in-kind are noncash donations of materials or long-lived assets. Gifts of materials or long-lived assets that serve the purpose of the institution should be reported at the face (fair market) value. Gifts-in-kind might include such items as equipment, printed materials, food or other items used for hosting dinners, etc. For items such as equipment, report the educational discount value -- that is, the value the institution would have paid had it purchased the item outright from the vendor. This point is key. Regardless of what estimated value a vendor may place on a gift-in-kind, the recipient should only count as a gift the amount they would have paid for the item or items were they not given.

Report gifts of copyrights and ownership of gas or oil wells at the readily determinable face (fair market) value. Alternatively, if the fair market value is not known and cannot be readily determined, report the asset in the year the value becomes known. For gifts of royalties from gas and oil wells not owned by the institution, report the amount received each year.

## **Remainder Interest in a Residence or Farm [\[index or top\]](#)**

A gift of a remainder interest in a personal residence or farm should be credited in the deferred gifts (future commitments) section at both the remainder (present) value recognized as an allowable deduction by the IRS and at the face (fair market) value.

## **Trusts Administered by Others (Charitable Remainder Trusts) [\[index or top\]](#)**

The value of the assets of gifts in trust that the institution or the donor has chosen to have administered by others should be reported in the deferred gifts (future commitments) section in the institution's gift totals for the year, provided the institution has an irrevocable right to all or a predetermined portion of the income or

remainder interest. Report the gift at both the face (fair market) value and the present value.

*Example:* A donor creates a charitable remainder trust for an institution, naming a bank as the trustee. Report the trust in the year it is established or at such time as the terms of the trust become known to the institution. Calculate the amount as noted above in the sections on charitable remainder trusts, pooled income funds, and gift annuities.

*Notes:*

- When an institution is in the position to report the value of a newly established gift in trust, as in the example above, it would be cited in the appropriate source category under "Individuals," not in "Other Foundations and Trusts" (see "Definitions: Sources," below). Also, once the value of the asset has been reported, it should not appear again in a subsequent report - for example, after the death of an individual who set up a charitable remainder trust.
- Generally accepted accounting principles for public colleges and universities under the jurisdiction of the Government Accounting Standards Board (GASB) provide for omitting the assets of trusts administered by others from the institution's records as the preferred alternative to the above treatment. Generally accepted accounting principles for private institutions require recognizing the assets and related revenue. Because an objective of these management reporting standards is to measure annual fundraising performance, these assets *should* be included in gift totals reported by public as well as private institutions.

## **Step-by-Step Instructions** [\[index or top\]](#)

These instructions cover both the higher education and the precollege versions of the survey. As such, they include instructions for parts that are not present on some versions. Instructions that are not relevant to all versions are identified.

### **Identifying information** [\[index or top\]](#)

Any individual with permission to do surveys is considered a Contact Person. All of these individuals receive notices pertaining to surveys. For that reason, please keep your contact information up to date, and make changes to your email address, phone number, and mailing address by clicking the "Edit My Personal Information" link on the home page.

### **Section 1 - Pledges and Testamentary Commitments** [\[index or top\]](#)

Section 1 of the VSE Survey is the ONLY section where you report pledges and testamentary commitments (bequest intentions).

#### **Pledges**

Include pledge data only in section 1. Do not include pledge data in sections 3 or 4. In section 1, you may report the number and amount of gifts promised but not received from the donor. Include pledges obtained during the fiscal year but still outstanding at the end of the year regardless of the promised payment date. You do not have to include data on pledges or testamentary commitments at all.

Section 1 is optional. If you wish to skip it, leave all cells blank; do not enter zeros.

#### **Testamentary Commitments (bequest intentions)**

Include testamentary commitment data only in section 1. Do not include testamentary commitment data in sections 3 or 4. Report provisions made in wills (or through revocable trusts) during the fiscal year for which the institution has documentation. Documentation might include a photocopy of the pertinent portion of the will or trust document or a letter describing the commitment and its ultimate financial value to the institution. Do not include provisions that name the institution as a contingent beneficiary. You do not have to include data on pledges or testamentary commitments at all. Section 1 is optional. If you wish to skip it, leave all cells blank; do not enter zeros.

## Section 2 - Enrollment and Financial Data

[\[index or top\]](#)

### Total Enrollment (total student headcount)

[\[index or top\]](#)

Count enrollment at the beginning of the academic year being reported (i.e., fall of 2015 for the report covering the 2015-16 academic year). All students (except continuing education) are counted: full-time, part-time, resident, extension, non-degree. Do not convert part-time students to full-time equivalents.

### Full-Time Equivalent Enrollment (FTE enrollment) -- *higher education only* [\[index or top\]](#)

Count the FTE enrollment figure at the beginning of the reporting period. If the FTE figure is not available, calculate FTE as the sum of all full-time students plus one-third of the number of part-time students (e.g., three part-time students equal one full-time student).

### Endowment Year-end Market Value (include all the following funds) [\[index or top\]](#)

- *True endowment* - funds provided the institution, the principal of which is not expendable by the institution under the terms of the agreement that created the fund.
- *Term endowment* - similar to true endowment except that all or part of the funds may be expended after a stated period or upon the occurrence of a certain event as stated in the terms governing the funds.
- *Quasi-endowment* - funds functioning as endowment - funds given to the institution "with no strings attached" or surplus funds that have been added to the endowment fund, the principal of which may be spent at the discretion of the governing board.

***Public institutions*** - Report combined endowment of the foundation and the institution.

***Higher Education institutions*** - Report amount reported to NACUBO for its endowment survey.

***Precollegiate schools*** - Report market value of endowment as defined above.

## **Expenditures [[index](#) or [top](#)]**

Include all expenditures for instruction, research, public service, academic support, student services, institutional support, scholarships and fellowships, and operation and maintenance of physical plant. Exclude auxiliary enterprises, hospital services, and independent operations. **Precollegiate schools** - Include all expenditures for instruction, libraries, other academic support, student services, institutional support, operation and maintenance of physical plant, and scholarships.

## **Advancement program expenditures -- *precollegiate schools only***

Include salary and benefits and program expenditures for development, alumni and parent relations, and publications and public relations for the advancement program.

## **Section 3 - Summary of All Gift Income [[index](#) or [top](#)]**

All (100%) of your gift income should be reported somewhere in section 3. The instructions below provide detailed definitions of the row and column categories used in this section. In the full and partial versions of the survey, section 3d auto-totals sections 3a, 3b, and 3c when you save the section. Save 3d whenever you make an edit to section 3a, 3b, or 3c.

## **Definitions of Sources [[index](#) or [top](#)]**

Sources of gifts are defined as those individuals or organizations, by type, that transmit the gift or grant to the institution or its foundation or affiliated fundraising organization.

## **Credit to Last Entity [[index](#) or [top](#)]**

In most cases where a contribution passes through several entities - such as from an individual to an organization to an institution, or from one organization to another organization to an institution - cite as the source the last of the entities through which it passes before being received by the institution.

*Examples:* Identify a gift from the personal foundation of an alumnus as coming from "Foundations." Likewise, credit a gift from the business account of an alumnus under "Corporations." Similarly, cite a contribution made by an alumnus through community agencies like United Way as coming from that organization, considered "Fundraising Consortia." Contributions made by individuals to a church, and then passed in a lump sum by the church to a college, should be reported as a single gift under "Religious Organizations" rather than as several gifts under "Individuals." Gifts from donor-advised funds are credited to "Other Organizations." In these cases, institutions will probably "soft credit" the individual. Thus, although the gift would be credited to the foundation, company, fundraising consortium, religious organization, or other organization on the VSE survey, the institution would *recognize* the alumnus as having supported the institution in other communications to constituents.

*Exceptions:* For the purpose of this report, contributions from companies made through their sponsored foundations, such as the Exxon Education Foundation and the General Electric Foundation, should be recorded as coming from corporations. Also, college and university-affiliated foundations, associations, societies, and clubs (as well as alumni association chapters **that have been organized solely for the support of the institution** with which they are affiliated) should be considered a part of the college or university itself, and thus simply a pass-through entity. Thus, a gift made by an alumna to a chapter of her school's alumnae organization should be reported with gifts from alumni rather than from an organization. Also, gifts from individuals made by payroll deduction or by a cashier's check should be credited to the individual.

### **Alumni (Column A) [[index](#) or [top](#)]**

For purposes of the VSE survey, alumni are defined as former students - full- or part-time, undergraduate or graduate - who have earned some credit toward one of the degrees, certificates, or diplomas offered by the reporting institution.

*Examples:* An individual who completed only one semester or even only one degree-credit course with passing grades may be included in the "Alumni" category. An individual who matriculated but did not complete the semester or who enrolled in a special course that did not carry credit toward a degree, diploma, or certificate should not be included in the "Alumni" category.

### **Parents (Column B) [[index](#) or [top](#)]**

Report here gifts from persons other than those defined above as "Alumni" who are the parents or guardians of current or former students at the institution.

*Colleges, universities, and other postsecondary institutions should also include grandparents in this category.* An affiliation as an alumnus takes precedence over that of a parent for the purpose of this report.

### **Grandparents (Column B.1) [[index](#) or [top](#)] *precollegiate schools only***

Precollegiate schools should report gifts from grandparents here. However, affiliation as an alumnus should take precedence.

### **Other Individuals (Column C) [[index](#) or [top](#)]**

Report here all persons, including governing board members, who are not classifiable as "Alumni,"

"Parents," or "Grandparents" by the above definitions.

## **Foundations (Column D) [[index](#) or [top](#)]**

This category includes 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 members of a family. Other foundations and trusts include all private foundations and charitable trusts that meet the definition above, including most of the major private foundations - such as the Ford, Rockefeller, Johnson, and Kellogg foundations - and community foundations.

*Note:* Not all grant-making organizations that use the word "foundation" in their titles should be included in this category. The National Science Foundation and the Empire State Foundation, for example, are not *private* tax-exempt entities and, therefore, their grants should not be included in a report of private voluntary support. For guidance on classifying specific foundations, consult The Foundation Center at [www.fdncenter.org](http://www.fdncenter.org).

## **Corporations (Column E) [[index](#) or [top](#)]**

Report here gifts from corporations, partnerships, and cooperatives that have been 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. Gifts from industry trade associations should also be included in this category.

Record matching gifts - gifts made by businesses that match the voluntary contributions of the firm's employees or other eligible participants - as coming from the business or organization that made the payment rather than from the individual whose gift was matched. These gifts should be reported as unrestricted unless the organization states otherwise.

*Note:* If a donor operates a personal or family-owned business or is a participant in a partnership or cooperative, development officers should make a distinction between a gift made from the donor's business account and one from the donor's personal account. For the purpose of this report, credit a check drawn from a business account under the corporations category.

Also, certain private foundations carry names that may cause them to be confused with corporations. As an example, the Ford Foundation was established with the personal gifts of Henry and Edsel Ford, not by the Ford Motor Company; therefore, gifts from the Ford Foundation should be included in the totals reported under foundations, and under other foundations and trusts, rather than family foundations, in

4B. In contrast, the Ford Motor Company Fund, as well as the General Electric Foundation and the Quaker Oats Foundation, are company-sponsored foundations; their gifts should be reported under corporations.

Further, contributions made by individuals through payroll deduction, which are transmitted to the institution by the individual's employer, should be credited to the individual.

### **Religious Organizations (Column F) [[index](#) or [top](#)]**

This category includes gifts from churches, synagogues, mosques, temples, and other houses of worship, as well as their denominational entities, hierarchies, and service groups.

### **Fundraising Consortia (Column G) [[index](#) or [top](#)]**

This category includes entities that have been formed by a group of cooperating institutions or organizations for the purpose of facilitating their fundraising activities.

*Examples:* The United Negro College Fund (UNCF), the Virginia Council of Independent Colleges, the United Way, and combined fund drives are examples of entities to be considered fundraising consortia. As noted previously, these reports should not include funds from governmental agencies.

### **Other Organizations (Column H) [[index](#) or [top](#)]**

Report here gifts from all organizations not defined above as "Foundations," "Corporations," "Religious Organizations," or "Fundraising Consortia" other than governmental agencies. In addition, for the convenience of schools that handle their auctions and other fundraising events independently of their development accounting system, those schools may report the net proceeds of such events in this category.

Report gifts from Donor-Advised Funds under "Other Organizations."

### **Definitions of Purposes [[index](#) or [top](#)]**

The term "donor purposes" refers to the purposes for which gifts or grants have been made, as restricted by the donors. It does not matter what use the institution ultimately chooses for an unrestricted gift. Only restrictions placed on a gift by the donor determine the category in which the gift is recorded on this survey.

### **Section 3 A. - Outright Gifts for Current Operations [[index](#) or [top](#)]**

This section of the VSE survey includes only outright gifts given specifically for current operations. Report deferred gifts only in Section 3c.

*Precollegiate schools do not provide a breakdown of restricted current operations gifts. All such gifts are reported together on the "total restricted" line.*

#### **UNRESTRICTED [[index](#) or [top](#)]**

Report the total outright gifts, including realized bequests (estate settlements), given by donors without any restriction, regardless of any subsequent designation by the institution. In cases where the donor expresses a preference for the gift's use but leaves the decision to the institution, report the gift as unrestricted.

For purposes of this report, report matching gifts from organizations as *unrestricted* unless the organization states otherwise. (Go to [Matching Gifts](#) for more information.)

#### **RESTRICTED**

##### **Academic Divisions [[index](#) or [top](#)]**

Report outright gifts for current operations that the donor has restricted for use in a particular academic division of the institution - such as a college of medicine, school of law, or department of English - but upon which no further restriction has been placed.

*Note:* Gifts for faculty and department staff salaries should be reported under "Faculty and Staff Compensation."

##### **Faculty and Staff Compensation [[index](#) or [top](#)]**

Report outright gifts for current operations that the donor has restricted for faculty and staff salaries and employment benefits. This includes gifts in support of sabbatical and other professional leaves for institutional employees.

*Note:* Gifts made to support lecture series and consultants should be reported under "Other Restricted Purposes." As an accounting convenience, funds made available for salaries as part of a larger grant for support of a research project may be credited under the "Research" category.

##### **Research [[index](#) or [top](#)]**

Report outright gifts for current operations restricted for scientific, technical, and humanistic investigation (excluding clinical trials). This category includes private grants

(gifts) for individual and/or project research as well as grants for institutes and research centers. It does *not* include corporate grants for programs in which the grantor receives a product or service commensurate with the fee paid; nor does it include government grants for sponsored programs. Government grants and awards, whether local, state (including state matching grants), federal, or foreign, should not be included in these reports.

### **Public Service and Extension [[index](#) or [top](#)]**

Report outright gifts for current operations that are restricted for support of activities established primarily to provide non-instructional services to people and groups within or outside the institution. Such activities include community service programs, institutionally affiliated radio and television stations, and cooperative extension services.

*Note:* Gifts for instructional activities for academic credit, even if they are also part of an institution's extension services, should be reported as gifts for "Academic Divisions."

### **Library [[index](#) or [top](#)]**

Report outright gifts for current operations restricted for the acquisition, restoration, and preservation of books, periodicals, manuscripts, maps, audiovisual equipment, and other materials and activities appropriate to a library.

*Note:* Gifts for staff salaries should be reported under "Faculty and Staff Compensation." Gifts for operation and maintenance of the library should be reported under "Operation and Maintenance of Physical Plant."

### **Operation and Maintenance of Physical Plant [[index](#) or [top](#)]**

Report outright gifts for current operations restricted for the ongoing operation of the physical plant, including its buildings and grounds, other facilities, and equipment.

The institution may choose to also include here any gifts of \$10,000 or less for repairs to existing buildings or for new construction, rather than crediting these to "Property, Buildings, and Equipment" under capital purposes. The rationale for this exception is that some institutions may not consider amounts of \$10,000 or less as appropriate for the capital purpose category.

### **Student Financial Aid [[index](#) or [top](#)]**

Report outright gifts for current operations that the donor has restricted for financial aid to students, whether full- or part-time, undergraduate or graduate. For the purpose of this report, such aid includes both need-based and merit scholarships, graduate

fellowships, athletic scholarships or athletic grants-in-aid, student awards and prizes, and gifts made in support of student work-study arrangements.

*Note:* If an individual or organization channels funds through the institution to support a student specified by the individual or organization, these funds are not gifts to the institution. They should not be reported as gift income anywhere in the report.

### **Athletics** [[index](#) or [top](#)]

Report outright gifts for current operations that the donor has restricted for the athletic department, including intramural and extramural activities.

*Note:* Gifts to support the academic department of health, physical education, and recreation should be reported under "Academic Divisions." Gifts of athletic scholarships (grants-in-aid) should be reported under "Student Financial Aid."

### **Other Restricted Purposes** [[index](#) or [top](#)]

Report all outright gifts for current operations restricted for specific uses that cannot be classified in one or another of the restricted categories in rows 2-9. Included in this category, among other possibilities, are all gifts to auxiliary enterprises, hospitals, clinics, independent operations, and non-academic units.

## **Section 3 B. - Outright Gifts for Capital Purposes** [[index](#) or [top](#)]

This section of the VSE survey includes only outright gifts for such purposes as property, buildings, equipment, endowment funds, and student loan funds. (Report deferred gifts in section 3C.)

### **Property, Buildings and Equipment** [[index](#) or [top](#)]

In this category, report the following:

- outright gifts of both real and personal property for the use of the institution;
- gifts made for the purpose of purchasing buildings, other facilities, equipment, or land for use of the institution;
- gifts restricted for construction or major renovation of buildings or other facilities; and
- gifts made for retirement of indebtedness.

As an accounting convenience, the institution may choose to report in the category "Operation and Maintenance of Physical Plant" (Section 3A) gifts of \$10,000 or less restricted for purchasing, renovating, or constructing facilities, because such gifts may be considered as funds restricted for current operations.

*Example.* A local businessman donates a motel he owns, located near campus, and

specifies that it is to be used as dormitory space. This gift is reported under "Property, Buildings, and Equipment."

### **Endowment Defined [[index](#) or [top](#)]**

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.

A gift of property that is not used for institutional purposes but is producing income available to the educational program functions as an endowment. Also, a gift of property that is retained for future sale or development should be considered endowment, even though income from it may be deferred until its sale or development.

### **Endowment-Unrestricted [[index](#) or [top](#)]**

Report in this category outright gifts restricted 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 the institution may make.

### **Endowment-Restricted [[index](#) or [top](#)]**

Report here those outright gifts added to the endowment funds of the institution by donor direction, from which the income is limited by the donor for specific purposes or programs.

*Example:* A local businessman donates a motel with the understanding that it will be sold and the proceeds used to create an endowed scholarship fund honoring his deceased wife. This gift is reported under "Endowment - Restricted."

*Note:* Institutions may wish to maintain records of endowment gifts by purpose and report them, plus the present value of deferred gifts to endowment, income restricted, in Section 4B: Other Fundraising Activity. This breakdown in 4B is optional.

### **Loan Funds [[index](#) or [top](#)]**

Report outright gifts restricted by donors to be available for loans to students, faculty, and staff. Do **not** include gifts used to retire institution debt here.

### **Section 3 C. - Deferred Gifts [[index](#) or [top](#)]**

This section includes only deferred gifts established or added to in the reporting period. Such gifts include charitable gift annuities, charitable remainder trusts (including those administered outside the institution), gifts to pooled income funds, and remainder interests in property. Deferred gifts should be reported at both the face (fair market value and at the present value (the tax deduction the IRS allows the donor).

The present value method to follow on the VSE survey is that outlined by Canadian or US law in determining an individual's tax credit calculation. CAE cannot help institutions determine this value. There is a deferred gift calculator on the VSE website.

### **Deferred Gifts to Endowment - Income Unrestricted** [[index](#) or [top](#)]

Report those deferred gifts restricted by donors for endowment, but not bearing any restriction from the donor regarding the use of the income the endowment produces, regardless of subsequent allocation by the institution.

### **Deferred Gifts to Endowment - Income Restricted** [[index](#) or [top](#)]

Report those deferred gifts restricted by donors for endowment from which the income is limited by the donor for specific purposes. Institutions may wish to record the purposes to which the income from these gifts are restricted and report them, plus the value of outright gifts to endowment, income restricted, in section 4B, "Other Fundraising Activity." Reporting the breakdown in 4B is optional.

### **Deferred Gifts to Other Purposes** [[index](#) or [top](#)]

Report those deferred gifts which donors have not restricted to endowment.

## **Section 4 - Selected Details about Gifts Reported in Section 3** [\[index](#) or [top\]](#)

**NOTE: All Dollar Amounts reported in Section 4 Should Be Reported Somewhere in Section 3.**

### **Part 4A. Contributions from Individuals (Be sure to include deferred gifts, if any, at present value.)**

#### **A. Contributions from Individuals for All Purposes (Be sure to include deferred gifts, if any, at present value.)** [[index](#) or [top](#)]

If you cannot report a breakdown by the three alumni categories (undergraduate, graduate, and nondegree), just supply the alumni totals on line d. Otherwise, fill in lines a, b and c, and let the system calculate the totals for you.

- *Number of Record* - number of living individuals in the given category (alumni, parents, etc.) for whom the institution believes it has a valid address or way to contact. Do not include "lost" or deceased individuals. Do include "do not solicit."
- *Number Solicited* - number of individuals in the given category who were contacted in some formal manner (mail, phone call, visit, etc.) during the

reporting year.

- *Number of Donors* - number of individuals in the given category who made one or more **hard-credit** contributions during the reporting year. If a married couple, both of whom are alumni, make a joint contribution count the couple as two donors, unless they specify otherwise.

## **B. Contributions from Individuals for Current Operations Only**

[\[index or top\]](#)

If you cannot report a breakdown by the three alumni categories (undergraduate, graduate, and nondegree), just supply the alumni totals on line d. Otherwise, fill in lines a, b and c, and let the system calculate the totals for you.

## **C. Bequests [\[index or top\]](#)**

Include the number and amount of bequests that were realized in the reporting year. Either report bequests designated by the donor for current operations or for capital purposes separately or just enter totals. Do not include bequest expectancies, even if legally enforceable, in this question.

## **D. Three Largest Donor Totals from Living Individuals and Through Bequests [\[index or top\]](#)**

Report accumulated totals for the year (including any deferred gifts, at present value). That is, if a living individual writes four separate checks during the year, it is the sum of those four gifts that should be used to determine if the individual is one of the three largest living individual donors. The same concept holds for largest gift totals for bequests, foundations, and corporations. Bear in mind that the total amount you reported from all individuals (alumni, parents, and other individuals) in section 3, minus the amount reported in 4a as bequest contributions, should be larger than the sum of your three largest gifts from Living Individuals. If this does not calculate correctly, make sure you included bequests in outright giving (3a or 3b of the full or partial survey or section 3 of the minimal survey).

## **E. Direct Governing Board Giving [\[index or top\]](#)**

Include deferred gifts at present value. Include current, emeritus, and honorary members of the governing board or institutionally related foundation, including alumni members but excluding members of advisory panels. Do not count gifts that the board member may have "caused" to be given by a corporation or foundation over which he or she exerts control. That is, include only gifts that receive legal credit. Gifts that receive soft credit should not be reported here. There is an optional place to indicate additional soft-credit gifts from board members that were hard-credited to an organization.

## **F. Deferred Giving [\[index or top\]](#)**

Include here the *number* of charitable remainder trusts, gifts to pooled income funds, charitable gift annuities and remainder interests in real

reported in section 3. Do not report the dollar amount, just the number of gifts.

### **G. Appreciated Property Giving [[index](#) or [top](#)]**

Include here non-cash gifts received from individuals that are of a character to appreciate in value over time. Include deferred gifts, at present value, that meet the conditions of appreciated property.

Appreciated property gifts include securities, real estate, and real property such as works of art, antiques, and collectibles. The amounts reported here should be included in Section 3.

### **H. Personal Gifts Via Organizations [[index](#) or [top](#)]**

Include here gifts that were caused by individuals (for which individuals received soft credit) but that were legally attributed to other organizations. If the other organization was a family foundation, include

## **Part 4B. Contributions from Organizations**

### **A. From Foundations [[index](#) or [top](#)]**

“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 members of a family. "Other foundations and trusts" include all private foundations and charitable trusts that meet the definition above, including most of the major private foundations - such as the Rockefeller, Johnson, and Kellogg foundations - and community foundations. Report gifts from corporate-based foundations under the Corporate sections of the VSE survey. This is an optional question.

### **B. Three Largest Donor Totals from Foundations [[index](#) or [top](#)]**

Report accumulated totals for the year. That is, if a foundation writes four separate checks to your institution during the year, it is the sum of those four checks that should be used to determine if the foundation is one of the three largest foundation donors.

### **C. 1. Forms of Giving From Corporations [[index](#) or [top](#)]**

The total dollar amount you report here must equal the total you report in Section 3 for all corporate giving. This is an optional question.

- *Cash and securities*: cash or securities
- *Company products*: tangible goods that are created and marketed by the corporations itself. That is, the company's own products.
- *Other company property*: such things as land, donated equipment that the company does not manufacture and market itself.

- *Matching gifts*: gifts made by businesses that match the voluntary contributions of the firm's employees or other eligible participants. For purposes of this survey, matching gifts should always be credited only to the corporation, not to the individual whose gift is being matched.

## **2. Additional Matching Gift Details**

In addition to the amounts listed directly above, please report matching corporate gifts that were dispensed through a third party, such as a community foundation, charitable gift fund, or other entity. These would not be counted as corporate giving elsewhere in the survey, but are under the control of companies.

### **D. Three Largest Donor Totals From Corporations [[index](#) or [top](#)]**

Report accumulated totals for the year, i.e., if a corporation writes four separate checks to your institution during the year, it is the sum of those four checks that should be used to determine if the corporation is one of the three largest corporate donors. Include matching gifts.

## **Part 3. Other Fundraising Activity**

### **A. Purposes of Gifts to Endowment: Income Restricted [[index](#) or [top](#)]**

Include here the sum of outright gifts to endowment, income restricted, that you reported in 3b and the deferred gifts (at present value) restricted to endowment, income restricted, that you reported in 3c. Allocate the total to the purposes indicated in the question. This question is optional.

### **B. Support of Intercollegiate Athletics [[index](#) or [top](#)]**

The total you report here is not comparable to other Athletics Giving Totals in the VSE Survey. In Section 3a, you report Current Operations Restricted Giving to Athletics for both Intramural and Extramural combined. Here you report only Extramural. Here you should also include Extramural Gifts to Endowment, Income Restricted to Athletics that you include in Section 3b (outright) and 3c (deferred). Report the deferred giving restricted to Extramural Athletics at the present value, not the face value.

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