

DEVELOPMENT SURVEY OF PRIVATE GIFT SUPPORT
FOR THEOLOGICAL EDUCATION
Fiscal Year Reporting Period

INSTRUCTIONS

Data for the previous fiscal year (or in some cases, the calendar year) are to be reported only for the ATS member school. The ATS member school may be part of an institutional complex, and some figures may be maintained for only the total institution as opposed to the individual ATS member school. In this instance, a formal designation should be agreed upon for the assignment of funds. We recommend that the institution develop a ratio of the budget of the theological school to the entire budget of the total institution.

Round all figures to the nearest dollar. Do not report cents. Blank will be the equivalent of "NA" (Not Available) where the information is not available. Zero (0) will be the equivalent of not applicable or no support was received. Verify column and row totals.

Enter bequests only under the Individuals (columns A or B), Part II. Bequests given by donors without any restriction, regardless of any subsequent designation by the institution, should be reported on line 1 of the summary of all gift income as unrestricted gifts for current operations.

Note: On the recommendation of development officers and with the approval of the ATS Board of Directors, ATS may make development data public with individual school identity. The objective of this procedure is to enable schools to better utilize and benefit from all development data. In the event a school does not wish to participate in this development data service, please attach a statement to this effect to the completed form.

Include as voluntary support (all gift and grant income):

- Gifts and grants to the institution, both restricted and unrestricted for current operations and for capital purposes, regardless of form (cash, products, property, securities, life insurance contracts, etc.);
- Gifts and grants TO affiliated foundations and organizations created to raise funds for the institution;
- Cash payments returned as contributions from salaried staff;
- Insurance premiums paid by donors.

Do not include as voluntary support:

- Pledges or commitments of financial support made but not received during the year
- Gifts from affiliated foundations and organizations to the institution (because they are counted when RECEIVED by the affiliated foundation or organization, not when they are passed to the institution itself)
- Nongift revenue earned by the fundraising function (e.g., from advertisements in alumni magazines or event programs, sales of alumni memorabilia, sales, raffles, etc.)
- Bequests not yet received from estate executors or administrators
- Revenue from contract research and other contracts (see "Nongovernment Grants and Contracts" below)
- Revenue from special education programs
- Membership fees for industrial liaison programs, corporate affiliate or associate programs, and the like
- Any public funds (e.g., government grants or contracts)
- Income from trusts, endowment, and other investments
- Student financial aid when the gift is in support of a specific student identified by name
- Contributed services, unless cash payments are returned as contributions
- Value of deferred giving contracts terminated due to the death of the income beneficiary during the year
- Tuition payments
- Governmental funds.

Nongovernment Grants and Contracts

A differentiation must be made between grants and contracts when reporting an institution's gifts. Grant income from private, nongovernment sources should be included in an institution's gift totals. **Contract revenue should not be included.** Both private grants and contracts may be awarded on the basis of an unsolicited proposal. Both may be based on line-item budgets submitted to the awarding agency and may involve the institution in at least the responsibility of periodic and final reports on the uses made of the funds. **The difference, however, between a private grant and contract** may be judged on the basis of the intention of the awarding agency and the legal obligation incurred by an institution in accepting the award.

For purposes of this survey, a private grant, like a gift, is bestowed voluntarily and without expectation of any tangible compensation; it is donative in nature. A contract, on the other hand, is a written agreement, often negotiated, between the institution and the awarding agency and is enforceable by law. Whereas an institution has the legal responsibility for using funds received as gifts and private grants for the purpose specified by its donors, its obligation to the donor usually does not, and probably should not, exceed that limit. Its responsibility under a contract, on the other hand, normally involves the generation of some specified, tangible product or service, such as a report or research, often for the exclusive, first, or proprietary use of the contracting agency and is subject to certain standards of performance and the expectation of economic benefit on the part of the grantor.

It is noted here again that government grants and other awards—whether local, state, federal, or foreign—should not be included in these reports.

Gift Valuation

Gifts should be valued by the institution on the date the donor relinquished control of the assets in favor of the institution. The amounts reported should be arrived at without regard to the donor's personal estimation of the gift's value, the worth and date of the gift as reported by the donor to the IRS, or the value placed on it by the IRS in reference to the individual's personal income tax liability. In cases where gifts are made in cash, valuation poses no problem. In cases where gifts are made with securities, real and personal property, in trust, through insurance policies, or bearing some real or implied obligation on the part of the institution, the following guidelines should be observed:

Securities: Institutions should report gifts of securities at market value on the date the donor relinquished control of the assets in favor of the institution. 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.

Real and Personal Property: Major gifts of real and personal property—such as land, houses, paintings, antiques, and rare books—should be reported at the fair market value placed on them by an independent, expert appraiser. Gifts of real and personal property—such as rare books and prints—with an apparent worth of less than \$5,000 may be valued by a staff member of the institution with some expertise—such as a librarian or professor of art—and that informal valuation may be used for institutional reporting purposes.

Ideally, gifts made for AUCTION should be treated as any other property gift and be valued when and as received, not when they are auctioned off for more or less than their appraised value. Where dollar amounts are relatively insignificant, this standard can be relaxed and auction proceeds can be used to value the gifts.

Charitable Remainder Trusts, Pooled Income Funds, and Gift Annuities: Gifts made to establish charitable remainder trusts, contributions to pooled income funds, and gift annuities should generally be credited at fair market value (i.e., the full amount of the assets given). In those instances where it is anticipated that a portion of the principal will be returned to the beneficiary in order to meet a payout obligation, the gift's net realizable value (i.e., the remainder interest, as calculated by the institution for financial statement purposes) should also be reported on the line provided. For the purposes of this report, charitable remainder trusts should be reported as gifts for capital purposes (endowment and similar funds—restricted income) whether or not the remainder interest has been restricted for endowment.

Charitable Lead Trusts: In reporting the value of a charitable lead trust, only the income received from it each year during the period of operation of the trust should be included in an institution's gift totals.

Trust Administered by Others: The value of the assets of gifts in trust that the institution or the donor has chosen to have administered by others (not the institution itself) should be included in the institution's gift totals in the year given—provided the institution has an irrevocable right to all or a predetermined portion of the income or remainder interest.

Caveat: When an institution is in the position to report the value of a newly established gift in trust, the source cited would be individuals, not other foundations and trusts. Also, once the value of the assets has been reported, neither it nor the interest earned should be included again in a subsequent report—for example, after the death of an individual who set up a charitable remainder trust.

Note: We recognize that this treatment is at variance with generally accepted accounting principles for colleges and universities that provide for the omission of the assets of trusts administered by others from the institution's records.

Insurance: An institution must be named both beneficiary and irrevocable owner of an insurance policy before a policy can be recorded as a gift. Institutions should report the cash surrender value of the policy when given, rather than its face value, as the amount of the gift. If the donor pays further premiums on the policy, the institution should include the entire amount of the premium payments in its gift totals. If the institution elects to pay the premiums, it should consider those payments as operating expenditures and not report increases in the cash surrender value as gifts. The difference between the cash value of a policy at the time it is given to the institution and the insurance company's settlement at the death of the donor should NOT be reported as a gift. However, when an institution receives the proceeds of an insurance policy in which it was named beneficiary but not owner, the full amount received should be reported as a gift on the date received.

LINE BY LINE INSTRUCTIONS

PART I—SELECTED DETAILS ABOUT GIFTS REPORTED IN PART II

A. *Alumni Giving for All Purposes*

Alumni are defined as former students—full- or part-time—who have earned some credit toward one of the ATS approved degrees offered by the reporting institution. Include the count of Alumni who make one or more gifts to current operations and/or capital purposes grouped as defined below.

1. **Alumni of record:** those living alumni carried in an institution's files and for whom there are believed to be current addresses.
2. **Alumni solicited:** the number of the alumni of record who receive at least one solicitation during the course of the reporting year.
3. **Alumni donors:** the number of alumni who made one or more gifts during the year in question.

B. Alumni Giving for Current Operations Only

Use same definitions as directly above, but apply only to those alumni who make one or more gifts to current operations.

C. Giving of \$5,000 or More from Individuals

How many living individuals gave a total of \$5,000 or more in one or more gifts, regardless of any restrictions during the year? Count the number of such donors, not the number of their separate gifts. Do the same for bequests.

D. Direct Giving from Governing Board Members (Trustees)

Members of the governing board (current, honorary or emeritus, not advisory board, both for the institution itself and for a foundation, if there is one) contributing gifts for either current operations or capital purposes (lines a and b). Count the number of board members making one or more gifts (not the number of gifts) and the total dollar amount of all those gifts. 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 influence. Report the percentage of governing board members contributing (line d).

E. Further Detail Regarding Alumni Giving

Report the total amount given by alumni for current operation (Part II, line 11, column A) and capital purposes (Part II, line 16, column A). The total of the amounts reported should equal Part II, line 17, column A. Report also the total number gifts made by alumni within each category.

F. Faculty and Staff Giving for All Purposes

Report the total number of gifts made by faculty and staff and the total amount received for both current operations and capital purposes. This amount should be included in the total reported (Part II, line 17, column A or B). Report the percentage of faculty and staff contributing.

PART II—SUMMARY OF ALL GIFT INCOME

All (100%) of your income should be reported somewhere in Part II. The instructions below provide detailed definitions for the row and column categories used in Part II—Summary of All Gift Income.

Definitions of Sources

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. In those cases when a contribution passes through several entities—such as from an individual to an organization to the institution or from one organization to another organization to the institution—the last of the entities through which it passes before being received by the institution should be cited as the gift source.

Examples: A gift from the personal foundation of an alumnus should be identified as coming from foundations. Contributions made by individuals to a church, and then by the church to a school, should be recorded as a gift from religious organizations rather than as a number of gifts from individuals.

Caveat: For the purpose of this report, contributions from business firms made through their sponsored foundations, such as the Exxon Education Foundation and the General Electric Foundation, should be recorded as coming from corporations and businesses.

Alumni/ae (column A)

Former students—full- or part-time—who have earned some credit toward one of the ATS approved degrees offered by the reporting institution.

Examples: For the purpose of this report, an individual who completed only one semester or, indeed, 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 degree credit, offered, for example, through the institution's extension division, should not be included in the alumni category.

Other Individuals (include parents) (column B)

All persons who are not classifiable as alumni or by the above definition.

Foundations (column C)

Private tax-exempt entities, whether corporate or trust in legal form, that have been established and are operated exclusively for charitable purposes.

Caveat: 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.

Corporations (column D)

Corporations, partnerships, and cooperatives that have been organized for profit-making purposes include corporations owned by individuals and families and other closely held companies. Also included in this category are business sponsored foundations (i.e., those organizations that have been created by business corporations and that have been funded exclusively by their companies). Also included are industry trade associations.

Caveats: A distinction should be made between a gift paid from the business account and one from the personal account of a person who operates a personal or family-owned business or is a participant in a partnership or cooperative. A check drawn from a business account should be credited to the corporation category for the purpose of this report. Also, certain private foundations carry names that may cause them to be confused with corporations and businesses. 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 trusts. Gifts from the Ford Motor Company Fund, as well as those from the General Electric Foundation and the Quaker Oats Foundation, are from business-sponsored foundations and should be reported under corporations and businesses. Guidance may be obtained from the Foundation Directory (published by the Foundation Center, 888 Seventh Avenue, New York, NY 10019), which cites the principal donor of each foundation's assets.

Religious Org. (column E)

Includes churches, synagogues, and temples and their denominational entities, hierarchies, orders, and service groups. Sources from religious organizations should include gifts as well as ecclesial assessments, subsidies, and apportionments used for operations.

Fundraising Consortia (column F)

Entities that have been formed by a group of cooperating institutions or organizations for the purpose of facilitating their fundraising activities. The United Negro College Fund and the Virginia Council of Independent Colleges are examples of entities to be considered fundraising consortia rather than governmental agencies.

Other Org. (column G)

All organizations not defined above as foundations, corporations and businesses, religious organizations, or fundraising consortia other than governmental agencies. Examples include fraternal organizations. Alumni association gifts should be counted as coming from alumni.

Associations

Seminary or divinity school-affiliated foundations and associations (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 institution itself. As an example, a gift made by an alumna to a chapter of her school's alumnae organization should be recorded as a gift from alumni rather than other organizations.

Definitions of Purposes

With one exception, you report a gift's purpose as it was specified by the donor. In other words, how your institution chooses to use unrestricted gifts has no bearing on their status as unrestricted gifts—they should be reported as UNRESTRICTED. The one exception is Charitable Remainder Trusts. Regardless of any donor-specified restriction, these gifts should be included on Endowment: Income Restricted (line 14) because, by their nature, this is how they effectively must be treated by the institution given the form in which they were provided by the donor.

A. Gifts for Current Operations (cash, securities, property, products)

- 1. Unrestricted:** Gifts, in any form, including bequests, given by donors without any restriction, regardless of any subsequent designation by the institution for current operations, to function as endowment, or to construct facilities. In cases where the donor expresses a preference but leaves usage decision to the institution, the gift should be reported as unrestricted. For purposes of this report, matching gifts from corporations should be reported as unrestricted unless company-specified terms of the matching gift state otherwise.
- 2. Academic Divisions:** Gifts for current operations that have been restricted by the donor for a particular academic division or department of the institution but upon which no further restriction has been placed.

Caveat: Gifts for faculty and department staff salaries should be reported under faculty and staff compensation.

- 3. Faculty & Staff:** Gifts for current operations that have been restricted by the donor for faculty and staff salaries and employment benefits. Include gifts in support of sabbatical and other professional leaves for persons in the current employment of the institution. Gifts made to support lecture series and consultants should be reported under Other Restricted (line 9).

Caveat: 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.

- 4. Research:** Gifts for current operations that are restricted by the donor to scientific, technical, theological, and humanistic investigation. This category includes private grants for individual and/or project research as well as those for institutes and research centers. It does not include government grants of any type, which should not be reported anywhere in this survey.

Caveat: Funds received under contractual arrangements should not be reported as gift revenue. See "Nongovernment Grants and Contracts" above.

5. **Public Services:** Gifts for current operations that are restricted by the donor to support of activities established primarily to provide noninstructional services beneficial to individuals and groups external to the institution. These activities include community service programs (excluding instructional activities for credit) and cooperative extension services.

6. **Library:** Gifts for current operations restricted by the donor to the acquisition, restoration, and preservation of books, periodicals, manuscripts, maps, audiovisual equipment, and other materials and activities appropriate to a library.

Caveat: Gifts for staff salaries and operation and maintenance of the library should be reported under faculty and staff compensation, and operation and maintenance of physical plant.

7. **Oper. & Maint. Plant:** Gifts credited to this category should include those for current operations restricted by the donor to support the ongoing operation of the physical plant, including its buildings and grounds, other facilities, and equipment. Any gifts of \$10,000 or less for repairs to existing buildings or for new construction may be credited in this category (see line 12 Property, Buildings, and Equipment).

8. **Student Fin. Aid:** Gifts for current operations that have been restricted by the donor for financial aid to students, whether full- or part-time. For the purpose of this report, such aid includes both need-based and merit scholarships, graduate fellowships, student awards and prizes, and gifts made in support of student work-study arrangements.

Caveat: Funds channeled through the institution for support of students specified by name by the individuals or organizations providing the funds should not be reported as gift income anywhere in the report.

9. **Other Restricted:** All gifts restricted by the donor for current operations that cannot be classified as to purpose in one or another of the above restricted categories (lines 2 through 8). To be included in this category are all gifts to auxiliary enterprises and independent operations.

10. **Total Restricted (lines 2–9):** The total amount of gifts for current operations on which the donor placed a restriction as to how those funds could be expended for current operations should calculate automatically.

11. **Total for Current Oper. (lines 1 + 10):** The total amount of gifts for current operations both unrestricted and restricted should calculate automatically. Lines 1 + 10 should equal line 11.

B. Gifts for Capital Purposes

12. **Property, Buildings, and Equipment:** Gifts of both real and personal property for the use of the institution, as well as gifts made for the purpose of purchasing buildings, other facilities, and land for use of the institution; constructing or providing major renovations of building and other facilities; and retirement of indebtedness. As an accounting convenience, gifts of \$10,000 or less used to purchase, renovate, or construct a facility may be considered as restricted for Current Operations: Operation and Maintenance of Physical Plant.

13. **Endow. & Sim. Funds: Unrestricted Income:** Gifts restricted by donors for endowment but not bearing any restriction from the donor as to the use of the income the endowment produces.

14. Endow. & Sim. Funds: Restricted Income: Those 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. Charitable remainder trusts should be included in this category whether or not the remainder interest has been restricted for endowment. The endowment funds are those that are required by donors to be retained and invested for income-producing purposes. A gift of property that is not used for institutional purposes but rather to produce income available to the education program should be considered 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.

Examples: A local businessman donates a motel he owns with the understanding that it will be sold and the proceeds used to create an endowment honoring his deceased wife. A second businessman donates a motel, located near campus, but specifies that it is to be used as dormitory space. The first gift should be reported under Endowment and Similar Funds—Restricted Income; the second under Property, Buildings, and Equipment.

15. Loan Funds: Gifts restricted by donors to be available for loans to students, faculty, and staff.

BEFORE RETURNING THE FORM

Please make sure that you have:

- rounded all figures to the nearest dollar. **Do not report cents.**
- verified that your total figures in Part II agree across and down.
- included corporate foundation gifts, corporate matching gift dollars, and corporate product and property gifts in column D, Corporations.
- entered bequests only under individuals (columns A and B). Bequests given by donors without any restriction, regardless of any subsequent designation by the institution, should be reported on line 1 of the summary table as unrestricted gifts for current operations.
- **retained a copy for your own records.**

Voluntary Support of Education (VSE) Survey conducted by the Council for Aid to Education (CAE)

If you wish to complete the full Voluntary Support of Education (VSE) Survey conducted by the Council for Aid to Education (CAE) and be listed in the VSE Report, you need to fill out the VSE Survey. CAE mailed survey materials to theological schools in early September. You may also complete the VSE Survey over the Web at www.cae.org. When you are asked for the INITIAL PASSWORD, use `zyzxa`. Please contact Tanisha at CAE (212-661-5800, Ext. 200 or tanisha@cae.org) if you need VSE Survey materials.

ARF PROGRAM NOTES

Gray shaded fields: For accredited institutions; the Admissions, Completions, and Enrollment forms may have gray fields. The gray fields represent degree program areas that are not applicable to the member school and the program will skip over these fields during data entry. As there are always exceptions, data entry is possible within these fields; however an explanation should be entered in the comments field of the relevant form. Some forms require explanations and the form cannot be saved without entering comments.

Blue shaded fields: The blue shaded fields represent fields for which data entry is not allowed. These fields, such as Total fields are calculated or contain amounts that are brought forward from another part of the form—the type in these fields is navy blue.

Totals: Column and row totals are generated automatically during data input—the type in these fields is navy blue. Some forms require certain totals to match other forms' totals or totals on other pages. There is a small tolerance for differences in the totals to account for differences in rounding.

Decimals: Most fields on ATS forms require whole numbers. If decimals are entered in these fields, the program will round to the nearest whole number.

Comments: A comments field is included on each of the Annual Report Forms. The field is accessed by clicking the Comments button located in the upper left corner between the Print and Close buttons. Some forms will require explanations be entered in the comments in order to continue. The text color on the comments button changes to red when comments are entered.