

**ArtCenter College of Design Policy and Procedure**  
**Gift Administrative Fees**  
Effective: **January 1, 2025**

**Gift Administrative Fee**

ArtCenter College of Design is committed to upholding transparency and accountability to our donors. We ensure prompt issuance of gift receipts, accurate record-keeping, expert management of funds, and efficient and timely disbursement of funds in support of programs, departments, and initiatives across the College.

Beginning January 1, 2025, to provide essential support to ArtCenter operations while ensuring donated funds achieve the maximum impact, all gifts and pledge payments to the College except as noted below, are required to include a one-time Gift Administrative Fee equivalent to eight percent (8%) of the total gift. As is customary with universities and other non-profit organizations across the country, a one-time administrative fee is applied to all new gifts, providing essential support to ArtCenter's overall operation. The 8 percent Gift Administrative Fee, for applicable gifts as outlined in this policy, will be directed to the ArtCenter Fund. This fee will be calculated based on the cash value of the gift or pledge upon receipt.

Gifts pledged prior to the January 1, 2025 implementation date of the 8% fee will not be subject to the administrative fee.

Gifts Not Subject to This Policy

1. Payments on pledges made prior to January 1, 2025;
2. Non-convertible (non-cash) gifts-in-kind;
3. Private agency grants that have a written policy stating they will not pay administrative fees;
4. Unrestricted (ArtCenter General Operating Fund) contributions;
5. Reclassification of gift funds;
6. Sponsored Project Funding – When an allocation is already being made from this funding to ArtCenter's general operating fund.

Terms and Conditions of Administrative Gift Fee

1. Donors will receive credit for the entire amount of their gift before fees are deducted.
2. Donors have the option to cover the gift fee by making an additional gift equivalent to the gift fee amount.
3. Gift minimums outlined in ArtCenter's Gift Acceptance Policy will be calculated based on the donor's actual gift amount. For instance, a donation of \$60,000 is the

minimum amount required to establish an endowed scholarship, and \$60,000 is the amount that would be credited to the donor notwithstanding the gift administrative fee. The “gross deposit” to the endowment, however, would be \$55,200, once the 8% gift administrative fee has been deducted. No waivers or exemptions from the gift fee shall be granted.

4. The gift fee applies to all cash and in-kind non-governmental gifts except as outlined below.
5. Pledges and payments on pledges made before January 1, 2025 will not be subject to the 8% gift fee.
6. Gifts for which written proposals were submitted before January 1, 2025, will also be exempt from the gift fee.
7. Illiquid assets and gifts of real, tangible or intangible property will be assessed (based on net proceeds) at the time they are sold/liquidated.
8. Bequests and other deferred gifts will be assessed for gift fees based on the gift residue amount when paid out to the College.
9. Gift-in-Kind (Non-cash gifts) that are to become inventoried usable assets of the College are exempt from gift fees.
10. Gifts from corporations or foundations (including “matching” gifts) will be subject to assessment and the gift fee, except where there are pre-existing published policies or guidelines from that corporation or foundation that prohibit it.
11. Payments from foreign governments that are not contract or research grant-related are subject to the gift fee and shall be assessed at the time the payment amount is agreed upon, or at the time the payment is received, whichever is earlier.
12. Gift fee disclosure and information must be included in any proposals or gift documents (i.e. pledge letters, fund terms), and written and/or oral disclosure is required at the time of solicitation.

#### Disclosure of Policy to Donors

Disclosure of this policy to donors may be made in a variety of ways through publications and materials of the development offerings including and not limited to all gift receipts, stewardship reports, and donor publications, as set forth as: “It is the policy of ArtCenter College of Design that a modest portion of gifts and/or other income from gifts may be used to defray the costs of administering funds. As of January 1, 2025, the current assessment is 8% on all new gifts.”