



## THE WILD CENTER GIFT POLICY

<b>TITLE:</b> GIFT ACCEPTANCE POLICY	<b>REVIEW CYCLE:</b> Three Years	<b>REVIEWED:</b> Legal Counsel: 5/18/17 James W. Smyton Of Counsel Phillips Lytle LLP	<b>REVISED:</b> 5/18/17
<b>PREPARED BY:</b> Hillarie Logan-Dechene	<b>APPROVED BY:</b> Development Committee 4/6/2017 Board of Trustees 5/1/2017		<b>DATE ADOPTED:</b> 5/1/17

**The Wild Center, (the “Center”) also known as the Natural History Museum of the Adirondacks, a 501(c)3 not for profit educational institution organized under the laws of The State of New York, encourages and accepts gifts for purposes that will help further its mission. The purpose of the policies and guidelines set forth below (the “Policy”) is to govern the acceptance of charitable gifts by The Wild Center, and to provide guidance to prospective donors and their advisors when they are contemplating making gifts to the Center. The Policy will apply to gifts offered to the Center to support any of its programs or services.**

### **Gift Acceptance Committee**

The Wild Center, also known as the Natural History Museum of the Adirondacks, will create the Gift Acceptance Committee, consisting of the Development Chairs, the President of the Board of Trustees, the Chairman of the Board of Trustees, the Chairman of the Finance Committee, the Executive Director, the Chief Financial Officer, and the Director of Philanthropy. The Committee will review conditions under which we will accept and recognize gifts. The Campaign Gift Acceptance Committee has the ability to consider exceptions to the gift policies listed in this Gift Policy document. It will convene only when needed, as in cases of extraordinary and/or complex gifts/pledges not covered in this document, and will determine whether to accept certain Gifts-in-Kind.

This Policy is based on Council for Advancement and Support of Education (CASE) guidelines.

Type of fundraising covered: Ongoing fundraising efforts, called “campaigns”, “drives”, “appeals” and “funds”. Should a special Capital Campaign or other timed campaign be launched, a separate document will be drafted and approved for that effort.

### **Terms Defined: Gift Reporting and Crediting**

For the purposes of this document and for The Wild Center's accounting, the terms reporting and crediting will be defined as follows:

**Reporting (also termed Counting)** refers to the dollar amount that is recorded as the total of gifts received or deferred. This is the amount of revenue that the Center has in cash in current gifts or anticipates by pledges, and the remainder value of deferred gifts to various fundraising efforts such as the Annual Fund, or special programs such as the Youth Climate Programs. There will be a standard report which will detail both cash and other realized gifts and the remainder value of any deferred gift on the date of the gift.

**Crediting** refers to the donor level at which a donor will be recognized in donor honor rolls and in any public recognition. In all cases the donor will be recognized at the present value of the gift.

Soft Credit will be issued to donors for gifts given by their individual donor advised fund and personal giving foundations that they direct.

### **Fundamental Principles of Campaign Accounting**

1. Only those gifts and pledges actually received or committed during the specific period of time identified for a campaign will be counted in any given campaign totals. Exceptions are noted in specific Campaign Classification.
2. Each gift or pledge may be counted in only one campaign, fund or drive. Therefore, a pledge made, but not fulfilled, during one campaign is considered unfulfilled and cannot be counted in another campaign. A pledge is made for one, and only one, campaign.
3. The value of any canceled or unfulfilled pledges must be subtracted from campaign totals when it is determined they will not be realized/fulfilled.

### **Reporting (Counting) Standards**

Existing CASE policies for gift valuation and reporting should prevail except where specifically indicated.

I. Outright gifts are counted only when assets are transferred irrevocably to The Wild Center. Deferred gifts are counted only when assets are transferred or an irrevocable gift instrument is consummated in favor of the Center.

II. Pledges:

A. Verbal pledges will not be counted in totals until paid, if ever.

B. Pledges must be in writing with a defined payment schedule to be counted. Pledges made near the end of the campaign or other drive must be paid off within an amount of

time equivalent to, but not longer than, the duration of the campaign unless approved by the Gift Acceptance Committee.

C. Irrevocable Pledge Agreements when made should be written and counted in accordance with the standards for counting such gifts outlined below.

### III. Exclusions:

1. Investment earnings on donations
2. Gains on the disposition of assets owned by the Center, such as stock and real estate
3. Contract revenues (e.g. Store, Café or other business related revenue)

### **Standards for Counting Certain Types of Gifts and Pledges**

#### 1. Securities:

Securities will be counted at the average of the high and low market value on the date the donor relinquished control of the assets in favor of The Wild Center.

Stock gifts made by electronic transfer (DTC) will be considered a gift on the date transferred into the control of The Wild Center. The gift value will be the mean value on the date of transfer; the date that the stock was received into The Wild Center's account.

The value of stock gifts sent via mail will be considered a gift and its value determined on the date of the postmark of the envelope containing the stock certificates or the stock power certificates, whichever is later.

Stock certificates registered by the donor in the name of The Wild Center are considered a gift and its value determined as of the date of registration.

Stock certificates sent by third party provider are considered a gift on the date of receipt by The Wild Center. The gift value will be based on this date.

#### 2. Retained Life Estate Agreements:

Donors, who set up a retained life estate gift, will receive full value for the appraised amount in gift crediting. The gift will not be counted until the property is transferred to the ownership of The Wild Center.

#### 3. Real and Personal Property:

Gifts of real and personal property exceeding \$5,000 in value (land, houses, paintings, antiques, rare books, etc.) will be counted at the fair market value placed on them by a qualified independent appraiser. This appraisal must be completed within 60 days prior to the gift date. The appraisal must generally be paid for by the donor. Gifts less than \$5,000 may be counted at the value declared by the donor.

For gifts valued under \$5,000, the donor should provide The Wild Center with: 1) a paid bill of sale showing the value of the item, or 2) an invoice and/or a copy of the check or credit card statement showing the value of the gift. This documentation is necessary for establishing tax-deductibility for IRS tax-purposes.

#### 4. Gifts in Kind:

Gifts in Kind (equipment, goods and certain services) for which donors are eligible for a charitable gift deduction in accordance with current IRS standards, will be counted at the fair market value placed on them by a qualified independent appraiser. Caution should be exercised to ensure that only such gifts as are convertible to cash or which are of actual value to the institution are included in campaign totals.

Gift Acceptance Committee will review in-kind gifts with substantial stated value prior to acceptance.

#### 5. Charitable Remainder Trusts:

Gifts made to establish charitable remainder trusts are counted and credited to the campaign total at the remainder value of the gift.

#### 6. Charitable Lead Trusts:

The income received from a charitable lead trust during a pledge payment period not to exceed three years will be counted. In addition, if the lead trust was established during the campaign period, the present value of any remaining income interest may be added to the three-year income total as determined by the Gift Acceptance Committee.

#### 7. Charitable Trusts Administered by Others:

The face value of trusts established during the solicitation period and administered outside the institution, to which the institution has an irrevocable right, will be counted in the "gifts and pledges" section of campaign totals. The total will be counted at the face and discounted values. The face value is the full amount of the gift. The discounted value, if available, would be equivalent to the donor's income tax deduction or a discounted value applied by the auditors.

#### 8. Grants:

Grant income from private and government sources will be counted and credited if they fund campaign priorities.

#### 9. Planned Giving Commitments:

Testamentary pledge commitments (gift intentions from Wills and trusts), as well as gift intentions from life insurance policies and retirement plans will be included in the deferred commitments portion of campaign totals providing the following conditions are met:

##### A. Bequests:

- Testamentary intentions received in writing from donors 64 and younger will be counted at the discounted value using standard actuarial tables.
- Testamentary intentions for donors age 65 and over, accompanied by a copy of the appropriate documentation will be counted at face value. The face value is the current value of the testamentary intention.

##### B. Life Insurance:

Gifts of life insurance will be counted in campaign totals provided The Wild Center is made the owner and irrevocable beneficiary of the policy with the exception of realized death benefits.

- Paid up life insurance policies will be counted using the cash surrender value and counted as an outright gift.
- Existing policies which are not fully paid up on the date of contribution given to The Wild Center during the Campaign will be counted at the existing cash value. In addition, where the payment of premiums is pledged over the campaign period, the incremental increase in cash value will be counted. It is suggested that the policy be fully paid during the campaign pledge period.
- Realized death benefits for an insurance policy whose death benefit is realized during the Campaign, whether the policy is owned by The Wild Center or not, will be counted in campaign totals, provided no gift amount was counted in a previous campaign.

##### C. Retirement Plans:

Gifts of Retirement plans will be handled on a case by case basis

##### D. Realized Testamentary Gifts:

All bequests realized during the defined duration of a campaign will be credited and counted at the full face value unless previously entered in campaign totals as a pledge. If a bequest was counted in a previous campaign, it will not be counted unless the actual estate distribution is greater than the original pledge. In this case, the difference between the estate distribution and the original pledge will be counted in the current campaign total.

**The Wild Center retains the right to refuse any gift for any reason at any time.**

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NOTE:

**This policy was endorsed by the Development Committee on 4/6/17, after review by J. C. Geever, Inc., professional development counsel. It was presented to the full Board of Trustees for adoption on 5/1/2017 and approved by unanimous vote. Hillarie sought pro bono legal counsel for a thorough legal review of this document in 2017. James W. Smyton of Counsel with Phillips Lytle LLP, One Canalside, 125 Main Street, Buffalo, NY 14203-2887 kindly reviewed this policy and returned his comments on May 18, 2017.**

History: This draft policy is based on prior policy that was approved by the board in 2010 and was valid through 2015. It is pending Board Approval.

The original policy on which it is based was a sample provided by then Campaign Cabinet member Dan Sullivan, which was developed by St. Lawrence University. The guidelines were established by the Capital Campaign Reporting Advisory Group, authors of CASE Campaign Standards: Management Reporting Standards for Educational Institutions published in 1994. The guidelines represent the views and combined judgments of the individuals serving on the Capital Campaign Reporting Advisory Group representing CASE, National Association of College and University Business Officers (NACUBO), American Association of Fundraising Counsel (AAFRC), and The Association of Governing Boards (AGB). Their final exposure draft was issued on March 3, 1993, approved by the CASE Board of Trustees on April 18, 1994, reproduced with minor adjustments in CASE Management and Reporting Standards in 2004.

The 2010 Wild Center policy was reviewed by Campaign Counsel, Christine Owens, David Johnson, Esq., Robert Friedman, Esq. and Jacqueline Garrod, Associate at Katten Muchin Rosenman LLP, presented to the Campaign Cabinet for final review on December 16, 2010 and was presented to The Wild Center Board of Trustees for final approval on December 28, 2010.

Current as of 5/31/2017