

The Exploris School

DONATION ACCEPTANCE POLICY

6100

This policy serves as a guideline to members of school staff involved with accepting gifts, outside advisors who assist in the gift planning process, and prospective donors who wish to make gifts to the school. This policy is intended only as a guide and each gift will be evaluated ~~allows for some flexibility~~ on a case-by-case basis.

ACCEPTABLE ASSETS

The Exploris School considers the following to be acceptable assets for donation. Assets not described on this list may be considered and accepted on a case-by-case basis.

1. Cash
2. Publicly Traded Securities
3. Closely Held Securities
4. Real Estate
5. Tangible Personal Property
6. Life Insurance

CASH

1. The Exploris School ~~can~~ shall accept all gifts by cash or check regardless of amount.
2. Checks shall be made payable to The Exploris School with specific instructions when the gift is designated for a particular program, project, or organization represented by the school. In no event shall a check be made payable to an individual who represents the school or the Board. If a check is made out to an individual, said check will be returned and the donation rejected.

PUBLICLY TRADED SECURITIES

1. The school can accept readily marketable securities, such as those traded on a recognized securities~~stock~~ exchange (i.e. the New York Stock Exchange).
2. Gifts of marketable securities are likely to be sold immediately by the school.
3. For gift crediting and accounting purposes, the value of the securities is the average of the high and low trading price on the date of the gift.

CLOSELY HELD SECURITIES

1. Non-publicly traded securities may be accepted after consultation with the Finance Committee.
2. Prior to acceptance, the school shall explore methods of liquidation for the securities through redemption or sale. A representative of the school shall contact the closely held corporation to determine:
 - An estimate of fair market value and
 - Any restrictions on transfer.
3. Prior to acceptance of a gift, the company will make reasonably available for review by the finance committee (and its' agents) all documentation related to the structure, ownership, and restrictions of the shares to be gifted.
4. No legally binding agreement ~~commitment~~ for sale, redemption, or repurchase of closely held securities shall be made prior to completion of the gift of the non-publicly traded securities.
5. The donor is responsible for obtaining a qualified independent appraisal of the securities to be gifted. The cost of the appraisal is the responsibility of the donor

6. For gift crediting and accounting purposes, the value of the gift is the appraised value of the securities on the date of the gift as determined in the donor's qualified appraisal.

REAL ESTATE

1. Gifts of real estate must be reviewed by the Finance Committee before acceptance.
2. The donor is responsible for obtaining a qualified independent appraisal of the property. The cost of the appraisal is the responsibility of the donor.
3. Prior to presentation to the Finance Committee, a member of the staff must conduct a visual inspection of the property. If the property is located in a geographically isolated area, a local real estate broker can substitute for a member of the staff in conducting the visual inspection. In either case, the individual charged with inspecting the property shall verify with the local municipality the zoning classification of the property.
4. Prior to presentation to the Finance Committee, the donor must provide the following documents:
 - Survey,
 - Phase 1 environmental report;
 - Preliminary title report, and
 - For condominium and planned unit development properties, a copy of any Covenants, Conditions and Restrictions.
5. Depending on the value and desirability of the gift, the donor's connection with the school, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following:
 - Maintenance costs,
 - Real estate taxes,
 - Insurance,
 - Real estate broker's commission and other costs of sale,
 - Closing costs,
 - Title insurance policy premiums, and
 - Applicable roll-back tax for "greenbelt" property.
6. Except in unusual cases, all gifts of real property shall be deeded by general warranty deed. The Finance Committee must approve any exceptions.
7. For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate as determined in the donor's qualified appraisal.

TANGIBLE PERSONAL PROPERTY

1. All gifts of tangible personal property, which have a use related to the work of the school, will be guided to that organization directly for acceptance, receipting, and use.
2. All gifts of tangible personal property which do not have a use related to the work of the school but have a potentially high resale value, such as gifts of jewelry, artwork, collectables, equipment, and software, shall be accepted subject to ~~after~~ approval by the Finance Committee.
3. Gifts of tangible personal property which do not have a related use to the work of the school, which are accepted by the school, shall be sold as soon as possible.

4. At the discretion of the Finance Committee, the school may have a qualified outside appraiser value the gift before accepting it.
5. The school adheres to all IRS requirements related to disposing of gifts of tangible personal property and filing appropriate forms.

LIFE INSURANCE

1. The Exploris School will accept life insurance policies as gifts only when the school is named as the owner and beneficiary of 100% of the policy.
2. Only policies with a cash value will be accepted.
3. The value of all Life Insurance Policies accepted shall be determined by the issuing insurance company as of the date of transfer to the Foundation.
4. If the policy is partially paid up, the value of the gift for the campaign's gift crediting and accounting purposes is the policy's cash surrender value. (Note: For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value.)
5. The school will only keep life insurance policies in force so long as the donor continues to make premium payments. In the event a donor chooses to discontinue premium payments, the policy will be exchanged for its remaining cash value.

PLEDGES

Pledges may be payable in single or multiple installments with no dollar minimum. Pledges may be paid with cash or any other acceptable asset as described in this policy. There is no maximum number of years for pledges to be carried out unless special pledge terms are outlined for specific fundraising efforts or appeals. All donors intending to make a gift pledge must complete a pledge form or confirm the pledge in writing.

DONOR DESIGNATED GIFTS

1. All gifts accepted as donor designated gifts will be used for the purpose designated by the donor.
2. Current gifts of less than \$5,000 may be designated for a special use if a fund already exists for that designated purpose at the time the gift is made. Gifts less than \$5,000 without a designated fund are available for immediate use in the operating budget.
3. Current gifts of more than \$5,000 may be accepted for new or future designated purposes upon the approval of the Finance Committee.
4. In light of the fact that any programs or entities supported by the School may or may not exist in their current form in the future, donors will be strongly encouraged to avoid designating the use of deferred gifts. The Exploris School will reserve the right to disclaim any gifts bearing donor designated terms that would be onerous to fulfill.
5. Donors may be recognized from time to time by honoring their names in connection to various parts of the school buildings or equipment. Any desire for name recognition will be granted according to

the terms of a specific program or appeal or on a case by case basis at the discretion of the Board of Directors as appropriate.

ADMINISTRATIVE ISSUES

1. The school shall not act as an executor (personal representative) for any donor's estate.
2. The Finance Committee of the school is responsible for developing investment policy, endowment spending policies, and for recommending and overseeing the investment manager(s) of the assets once gifts are received.
3. The Board of Directors delegates to the campaign leadership the authority to negotiate gift arrangements in concordance with this Gift Acceptance Policy. The Finance Committee as required by this Policy will submit all gifts negotiated for review.
4. The Finance Committee may appoint a standing sub-committee comprised of both staff and board members to serve as a Gift Review Committee and function in place of the Finance Committee to fulfill its responsibilities as described in this Gift Acceptance Policy.

ACKNOWLEDGING GIFTS

- 1) Under \$500 – acknowledgement letter from the Director
- 2) \$500 & above – Letter from Board Chair or Campaign Chair, separate letter from Director
- 3) All major Gifts (amount TBD) should be reviewed by campaign committee and if members know donor - send a personal note. Letter should go to the donor from Board Chair or Campaign Chair.
- 4) Pledge payments – letter from Director
- 5) In Kind Gifts – send appropriate letter from Director if major gift level handle as above.
- 6) If gift is memorial – send acknowledgement to donor and next of kin with card.
- 7) Stock Transactions – according to law, the donor receives credit for the mean average price of the stock on the day on which he/she relinquished control by transferring it to the institution.
- 8) Naming Recognition – if gift is designated for naming opportunity, mention this in body of letter.

The following statement should be included in all “thank you” acknowledgement letters:
Contributions to The Exploris School are tax-deductible as provided by law. The IRS requires us to state that you received no goods or services in exchange for this gift. Please retain this letter as a receipt for your tax records.