

The Harvey School  
GIFT ACCEPTANCE POLICY  
May 1, 2017

- I. General Principles
- II. Roles and Responsibilities for Gift Acceptance
  - A. Head of School
  - B. Director of Development
  - C. Gift Acceptance Committee
- III. Gift Acceptance Procedures
  - A. Cash Gifts
  - B. Gifts-in-Kind
  - C. Gifts of Publicly Traded Securities
  - D. Gifts of Restricted Securities or Non-Liquid Securities
  - E. Gifts of Non-US Currency
  - F. Gifts of Life Insurance Policies
  - G. Gifts of Retirement Plan Assets
  - H. Gifts of Real Property
  - I. Gifts of Tangible Personal Property
  - J. Gifts through Bequests and Trusts
  - K. Gift Minimums
  - L. Pledges
  - M. Gifts from Donor-Advised Funds
  - N. Management of Gifts by Business Office
  - O. Write-Off Policies
- IV. Endowment Policies
  - A. Endowment General Principles
  - B. Use of Endowment Gift Agreements
  - C. Gift Acceptance (minimum investment requirements, maximum pledge duration)
  - D. Endowment Administration
  - E. Endowment Reporting
- V. Facilities Naming Policies
- VI. Revision and Review of Gift Acceptance Policy and Procedures

## I. GENERAL PRINCIPLES

The purpose of this Gift Acceptance Policy (“Policy”) is to set forth the Board of Trustees’ guidelines for the acceptance and administration of charitable gifts by The Harvey School (hereafter referred to as “Harvey” or the “School”). Harvey adheres to the highest equitable standards, which shall guide those who implement this Policy.

All fundraising goals at The Harvey School originate and are approved by the School’s Board of Trustees. These goals reflect the most important immediate and long-term needs of the School in the best judgment of the Board of Trustees. Trustee-approved fundraising goals specifically support the School’s mission and core values.

The Board of Trustees shall establish a Gift Acceptance Policy (GAC) for reviewing gifts outside the normal guidelines provided for in this document, including any gift of encumbered property.

The Director of Development and Staff shall be responsible for implementing this Policy. All fundraising at the School, including that of the Parent Association, departments and students, will be coordinated through the Development Office.

Donors shall be encouraged to make unrestricted gifts to Harvey. Donors making gifts of real estate or tangible or intangible property shall be informed that the School will comply with applicable IRS reporting obligations which may include informing the IRS of (i) any amounts received by the School from a subsequent sale of donated property and (ii) the identity of the donor. Gift arrangements other than an unrestricted cash gift shall be memorialized in writing describing any restrictions or other obligations undertaken by Harvey. The Harvey School may accept restricted gifts, subject to the policies set forth in this statement. All members of the school community who are contacted by a donor who wishes to make a restricted gift should immediately alert the head of the GAC.

The Harvey School is a 501(c)(3) educational entity. Contributions and bequests made to The Harvey School are tax-deductible to the extent permitted by law. Harvey does not provide personal legal, financial, tax compliance or other professional advice to donors. Donors will be advised to seek the assistance of their own legal or other professional advisors in matters relating to the legal, tax and estate planning consequences of a proposed gift to The Harvey School.

The Harvey School’s fiscal year runs from July 1 through June 30. Gifts must be paid by June 30 to be counted in the fiscal year’s totals.

This Gift Acceptance Policy is intended to be in accordance with the reporting standards of both the IRS and the Council for the Development and Support of Education (CASE.)

The Head of School is the only individual authorized to provide final approval (following approval of the Gift Acceptance Committee, if required) on acceptance of a gift or an agreement regarding a gift.

The School reserves the right to decline any gift.

Any questions regarding implementation of this Policy shall be directed to the Head of School or the Director of Development.

## II. ROLES AND RESPONSIBILITIES

- A. The Head of School shall be responsible for the implementation of this Policy and may delegate day-to-day functions to the Director of Development.
- B. The Director of Development and other members of the Development Office are charged with the administration of this Policy. They are expected to be well-versed in giving opportunities at the School, be able to describe to a prospective donor the variety of giving devices available to meet a particular school need, and be able to train volunteer solicitors on these matters.
- C. Gift Acceptance Committee shall be established by the Board of Trustees, and will be responsible for reviewing gift proposals as set forth in this statement.
  1. The Gift Acceptance Committee (“Committee”) is composed of the Head of School, the Director of Development, Director of Major Gifts, Business Officer, the Board Treasurer/Assistant Treasurer, the Chair(s) of the Campaign Steering Committee, and the Chair(s) of the Development Committee and Board Chair (ex-officio). The Committee is responsible for reviewing gift proposals that fall outside of the parameters of this Gift Acceptance Policy.
  2. The Director of Development shall serve as Chair of the Committee and shall be responsible for scheduling meetings and coordinating activities.
  3. If a situation arises where the Committee is not unanimous with regard to the acceptance of a gift, then the matter shall be referred to and resolved by the Board of Trustees.

## III. GIFT ADMINISTRATION

All gifts are to be administered by the Director of Development and the Development Office. Procedures for acceptance of different classes of gifts shall be set forth in writing, and made available to donors on the website or upon request. All federal and state disclosures and reporting obligations will be complied with.

In the case of non-cash charitable contributions, the Director of Development is responsible for the completion of IRS Form 8283 (“Non-cash Charitable Contributions”) in consultation with the Director of Finance and Operations. The Director of Development must review all completed 8283 forms before they are mailed to donors, and is to alert the Director of Finance and Operations of cases which oblige The Harvey School to complete and file IRS Form 8282

(“Donee Information Return”). It is the responsibility of the Director of Finance and Operations to complete and file any required Forms 8282.

A. Unrestricted Gifts of Cash

1. Outright gifts of US currency, checks, wire transfers, credit cards, debit cards or payroll deduction are credited at actual cash value.
2. Checks should be made payable to "The Harvey School" and shall be delivered to the Development Office.
3. Gifts are recognized when they are received. Gifts should be promptly acknowledged in writing, in accordance with IRS regulations.

B. Gifts-in-Kind

1. Gifts-in-Kind are non-cash donations.
2. Materials or long-lived assets that serve the purpose of the School will be accepted and reported at the full fair market (face) value.
3. Gifts-in-Kind include, but are not limited to, equipment, supplies, printed materials, or similarly valued non-cash gifts.
4. Additionally, gifts of service will be reported at fair market (face) value.
5. Donors will be issued a receipt with a description of the Gifts-in-Kind, but without a value. It is the responsibility of the donor to retain receipts or to establish a value for tax deduction purposes.
6. The School is always in the best position to determine what equipment purchases are needed for any given program. If a donor is interested in donating any equipment, they are encouraged to contact the Development Office and donate the cost of the item. The School is then able to make the purchase and the donor gets the appropriate tax deduction.

C. Gifts of Publicly Traded Securities

1. Publicly traded securities received by Harvey are to be liquidated as soon as feasible. The School will instruct its brokers that all securities should be sold upon receipt. The Head of School is authorized to override this general rule, following consultation with the Gift Acceptance Committee.
2. The gift is considered received once it is in the brokerage account(s) of The

Harvey School. Gifts of marketable securities will be accounted for by the school at their value on the date the gift is received, determined by taking the mean between the high and low trades. If trading is not open on the day the securities are received, the value will be determined by the same method on the first day public trading is open following the receipt of the securities.

3. The Development Office shall publish procedures for the transmittal of securities, both electronically and by mail or other courier transmittal. These procedures should be accessible through the School website.

#### D. Gifts of Restricted Securities or Non-Liquid Securities

1. The Gift Acceptance Committee may consider and approve accepting gifts of certain restricted or other non-liquid securities whose sale and disposition is delayed by SEC Rule 144 or other provisions of securities laws. If accepted, gifts will be receipted and donors will be given gift credit in accordance with applicable IRS regulations.
2. Proposed gifts of closely-held stock, whether current or deferred, will be evaluated on a case-by-case basis by the Gift Acceptance Committee, and are subject to any conditions or criteria that may be set. These criteria may include such considerations as whether there is an opportunity to sell the stock for cash in the foreseeable future, for example, pursuant to a planned sale of the company. All gifts of closely-held stock or other closely-held interests must have a qualified, independent appraisal provided by the donor.
1. Gifts made in foreign currencies will be valued at the US dollar equivalent on the date the gift is physically received by the School. This value is determined by the daily currency conversion rates.
2. Donors shall be credited with the full amount of the gift, in US dollars, before the application of transaction fees.

#### Gifts of Life Insurance Policies

1. The Director of Development will administer the process for accepting gifts of Life Insurance policies.
2. The Harvey School will accept gifts of new and existing whole life insurance (no term or non-dividend) policies.
3. Except in extraordinary circumstances, policies must have a paid-up cash value in order to be accepted. Exceptions must be approved by the Gift Acceptance Committee.

4. For a gift of life insurance to be acceptable to the School as a pledge or present gift, the following criteria must be met:
  - a. The Harvey School should be designated as the sole, irrevocable owner and beneficiary of the policy in order for life insurance to constitute a present gift.
  - b. Propriety of accepting life insurance gifts must be established under applicable State laws.
  - c. The policy must be a new or existing whole life policy. The Harvey School will not accept term policies to fulfill a pledge or to count as a present gift.
  - d. The policy should insure only the life of the donor, the donor's spouse, or another person approximately the same age as the donor. Policies insuring children of the donor are not acceptable.
  - e. If the policy is paid up at the date of the gift, the School should report the cash surrender value of the policy as of the date of the gift, not the policy's face value.
5. In those instances where the School is named only as the beneficiary but is not the owner of the policy, the Development Office will track, but not formally book the pledge until the gift is received.
6. The donor must execute an agreement at the time the policy is donated.

G. Gifts of Retirement Plan Assets

1. The Director of Development will administer the process for accepting gifts of Retirement Plan Assets.
2. The Harvey School will accept gifts of irrevocable retirement plan beneficiary designations and bequests.
3. Retirement plan beneficiary designations and bequests are not recorded as gifts to The Harvey School until the gift is irrevocable. Where the gift is irrevocable, but not due until a future date, the present value of the gift is recorded at the time the gift becomes irrevocable.
4. The donor must execute an agreement at the time the plan is donated.

H. Gifts of Real Property (Real Estate)

1. Real property includes improved and unimproved land, residences, condominiums, apartment buildings, rental property, commercial property, and farms.
2. All gifts of real property must be reviewed by the Gift Acceptance

Committee.

3. The minimum fair market value for an acceptable gift of real estate is \$100,000, net of any debt associated with the property, subject to approval by the Gift Acceptance Committee. When real property has an estimated market value of less than \$100,000, the donor should be encouraged to sell it and donate the proceeds. The location of property can affect the acceptable minimum.
4. The donor should be informed of the following:
  - a. The donor should seek independent counsel to address tax-related issues.
  - b. The donor shall be responsible for the payment of all associated expenses of real estate gifts (such as title searches, legal fees, accounting fees, inspection fees, etc.)
  - c. The School's general practice is to sell all gifts of real estate as soon as possible, unless the Board of Trustees deems otherwise.
  - d. The School has the right to dispose of its property as it sees fit from the first day of School ownership and marketability of the property will be a criterion for acceptance of the gift.
  - e. The School will attempt to sell the property at a reasonable price consistent with current market conditions. The donor also must be told that any sale occurring within three years of the date of gift shall be reported to the IRS, as required by law.
  - f. The School may decline the gift at any time prior to acceptance without incurring cost or liability.
5. The Director of Development shall request the following information regarding the proposed gift:
  - a. Donor's name, address, affiliation, relationship to The Harvey School, and other pertinent information, if any.
  - b. Gift designation, if any.
  - c. An appraisal of the property, conducted in accordance with IRS guidelines, provided by the donor.
  - d. A copy of the deed for the property.
  - e. A title search.
  - f. A Phase I environmental audit performed at the donor's expense to ensure the School incurs no environmental liabilities. If the donor has resided at the property for 15 years or more, or the property has been residential for at least 15 years, the Gift Acceptance Committee may waive this requirement after physical inspection of the property by a qualified inspector.
  - g. The existence and amount of any carrying costs, such as property owner's association dues, country club membership dues, taxes, and insurance, etc.

- h. Representation and warranty by the owner of the following:
    - i. The donor is the rightful owner of the property and has unencumbered right to dispose of the property.
    - ii. No violations of state, local or federal law exist on the property.
    - iii. No restrictions or conditions exist within the title.
    - iv. There are no unrecorded rights of way, easements, or encumbrances attached to the property.
    - v. There are no contractual or other donative commitments to other individuals, corporations, or groups attached to the property.
    - vi. The property is neither the subject of nor threatened with litigation nor may be the subject of a filed or pending condemnation proceeding.
    - vii. A statement of any restrictions required by the donor concerning the disposition of the property. The School will not accept restrictions that are unrelated to its mission and interests.
6. The Gift Acceptance Committee shall review the foregoing information, with specific input from the Director of Finance and Operations.
  - a. The Director of Finance and Operations will review any documents, deed, or studies of the proposed gift property to determine legal sufficiency, consulting with School counsel as necessary.
  - b. The Director of Finance and Operations shall ascertain the following:
    - i. Environmental status including, if appropriate, a verified copy of a Phase I environmental audit submitted by the donor.
    - ii. Possibility of any adverse publicity for the School if the gift is accepted.
7. The Gift Acceptance Committee shall in most instances arrange for a personal inspection of the property by a qualified inspector prior to acceptance.
8. Generally, the expenses related to this review, including travel, will be deducted from the proceeds of the sale of the property.
9. After careful consideration of the acceptability of the property, the Gift Acceptance Committee shall recommend whether to accept the proposed gift, including consideration of any proposed restrictions.
  - a. If the gift is accepted, it shall be retained by The Harvey School for its use or disposed of in accordance with School policy and the conditions of the gift, if any.
  - b. The Director of Development shall inform the donor of the actions of the Gift Acceptance Committee and any modifications in the proposed conditions for making the gift. If the gift is accepted, a Development

officer shall acknowledge the gift in accordance with School policy on gift acknowledgement and stewardship.

- c. The School shall not appraise or assign a value to the gift property on behalf of the donor. It is the donor's responsibility to establish a value for the gift and to provide, at the donor's expense, a qualified appraisal as required by the IRS, to substantiate any claim the donor makes for a deductible charitable contribution. When property is contributed to fund a life income gift, the School must secure an independent appraisal in order to determine the income payment obligation for the life income trust.

## I. Gifts of Tangible Personal Property

1. Tangible personal property includes, but is not limited to, such items as:
  - a. Books
  - b. Computer or Classroom Equipment
  - c. Jewelry
  - d. Furniture
  - e. Automobiles
  - f. Boats
  - g. Works of Art
  - h. Manuscripts and Archival Materials
2. Gifts of tangible personal property valued at less than \$10,000 may be accepted if the Director of Development, in consultation with appropriate school administrators, or in the case of Parent Association events, Officers of the Parent Association, determines such property is of value to The Harvey School.
3. If the personal property is not considered of value to the School, and if it is not marketable or able to be sold for more than \$10,000, the School is to encourage the donor to sell the property and donate the proceeds.
4. In cases where it is not clear that the gift should be accepted or rejected according to the criteria above, the Director of Development will forward the matter to the Gift Acceptance Committee for determination.
5. Gifts of tangible property such as paintings or other works of art, jewelry, furniture, or collections should not be accepted if made on the condition or expectation that the items will be exhibited (temporarily or permanently) or that the collection will be maintained as such unless the Gift Acceptance Committee approves of the condition.
6. Except as part of a fundraising event like an auction, the minimum fair market value of a gift of tangible personal property intended to be sold by the School should be \$10,000 or more, net of any debt. If the proposed items are of

interest to the School, then the Director of Development will submit a proposal to the Gift Acceptance Committee that will include the following as relevant:

- a. A description of the proposed gift material, including its physical dimensions, and any conditions or stipulations requested by the donor.
  - b. An estimate of storage or transportation costs, maintaining and insuring the gift, and any other expenses related to accepting the proposed gift.
  - c. A brief statement of its value to the School.
  - d. The endorsement of the Head of the School or Department Head that will retain the gift.
  - e. An assessment of the possibility of any adverse publicity for the School if the gift is accepted.
  - f. A qualified appraisal, as such term is used in Treasury Regulation Section 1.170A, supplied by the donor if the value of the gift is estimated to be over \$10,000.
  - g. If the proposed gift has been determined not to be of educational or artistic value to the School, why it might be desirable for Harvey to accept the gift.
  - h. A statement regarding the marketability of the proposed gifts and how the gift should be sold to realize its full value.
  - i. Confirmation of clear title to the property.
7. Generally, the costs of delivery to the School and related expenses shall be the responsibility of the donor.
  8. Unless otherwise instructed by the Board, the School will attempt to sell the donated gift at a reasonable price consistent with current market conditions. The donor must be told that any sale occurring within three years of the date of gift shall be reported to the IRS, as required by law.

#### J. Gifts Received through Bequests and Trusts

The Harvey School welcomes gifts via bequests and trusts. However, Harvey reserves the right to disclaim such gifts if the terms are contrary to the needs, wishes or mission of the School.

1. These gifts include, but are not limited to:
  - a. Bequests, Devises and Distributions
  - b. Charitable life income gifts
  - c. Charitable lead trust gifts
  - d. Retained life estate gifts

2. If the gift includes real or tangible personal property, the School will attempt to sell the donated gift at a reasonable price consistent with current market conditions. The donor must be told that any sale occurring within three years of the date of gift shall be reported to the IRS, as required by law.
3. Proposed gift agreements for individually managed trusts will be evaluated by the Gift Acceptance Committee relative to cost and benefit to the School. Approved agreements will be administered by the Director of Development and the Director of Finance and Operations. Any revision to such trust agreements and annuity contracts required for these gifts to qualify under federal law for charitable deductions shall be made and paid for by the donor's estate.
4. External management and custodial fees attributable to individual trusts will be paid by the School, or charged to the trust, as determined by the Director of Development in consultation with the Director of Finance and Operations and as outlined in the donor gift agreement.
5. Direct, unrestricted bequests of cash do not require review by the Gift Acceptance Committee.
6. Bequests for specific purposes, including endowment, will be reviewed by the Gift Acceptance Committee, which will ensure that the provisions of these bequests are implemented in accordance with existing School policy and practice.
7. The Development Office will work with those considering a bequest. The School suggests the following bequest language to its donors:

Unrestricted: I give to The Harvey School, a non-profit 501(c)(3) organization, located in Katonah, New York, the sum of \$\_\_\_ for its general purposes.

Residuary: All the rest, residue, and remainder of my estate, both real and personal, I give to The Harvey School, a non-profit 501(c)(3) organization, located in Katonah, New York, for its general purposes.

Contingency: If (name of beneficiary) does not survive me, or shall die, during the administration of my estate, or as a result of a common disaster, then I give to The Harvey School., a non-profit 501 (c)(3) organization, located in Katonah, New York, the sum of \$\_\_\_ to be used for its general purposes.

In addition to the appropriate bequest language, donors considering restricted

gifts should be asked to consider adding the following language:

In the event the purposes of the restriction, in the opinion of the Board of Trustees of The Harvey School, can no longer be served, the Board may devote any remaining assets exclusively for charitable purposes that: (a) are within the scope of the charitable purposes of charity (b) most nearly approximate the original purpose of the gift; and (c) benefits charity.

Properly documented bequest gifts will be counted at their present value according to actuarial tables. Harvey will allow bequest intentions for donors aged 75 and older, or who turn 75 before the end of the campaign period.

K. Gift Minimums

The time and effort needed to accept and process gifts ultimately diminishes the financial gain realized from a gift. To ensure that every gift makes a contribution to the School, it is necessary to establish thresholds for gifts. Exceptions can be made on a case-by-case basis.

<u>Gift Form</u>	<u>Minimum Value</u> (after reduction for debt or encumbrances)
Credit Cards	No minimum
Cash or checks	No minimum
Non-Canadian Foreign Currency	\$500
Tangible Personal Property	\$10,000
Other Assets	\$50,000
Real Estate	\$100,000
Life Insurance (Paid Up)	No minimum
Retirement Plans	No minimum
Planned and Deferred* Gifts	No minimum
Individual Charitable Remainder Trusts (Unitrusts and Annuity Trusts)	No minimum
Charitable Lead Trusts	\$10,000 (if donor-maintained)
Pooled Income Funds:	

Initial Gift	\$5,000
Additional Gifts	\$1,000
Gift Annuities:	The school does not have an established Gift Annuity program.
Closely Held Stock	To be determined by Gift Acceptance Committee

L. Pledges

1. Donors wishing to make a gift in installments over time shall document their commitment to Harvey in a written Pledge Agreement that will create a binding legal obligation on the donor, as well as a claim against the donor's estate if the commitment remains unpaid after death.
2. Annual Fund pledges or annual restricted-operating gifts that are to be received within a fiscal year should include the donor's name, the amount pledged, the gift designation, and the fulfillment date.
3. Capital and Endowment pledges must have the following components
  1. Donor name and address
  2. Gift designation and purpose
  3. Total pledge amount
  4. Pledge period and payment schedule
  5. Any restrictions, special instructions, or named opportunities that are tied to the pledge at the time of making the pledge
  6. An option for the donor to be anonymous in school publications or giving circles
  7. Donor signature(s)
  8. Date of pledge
3. Pledges shall be recorded at face value, and all hard copy documentation must be kept for reference in the donor's file.
4. Annual Fund pledges, by their nature, are to be completed within the same fiscal year they are made. Otherwise, they are written off at the end of the year. The only exception to this rule is Matching Gift pledges, which may be fulfilled after the end of the fiscal year. In this case, they are attributed to the new Annual Fund year.
5. Pledge periods should be kept to five years or less.
  - a. Pledges longer than five years must be reviewed and approved by the

Gift Acceptance Committee.

- b. Generally, extended pledge commitments should contain language that will permit Harvey to modify the purpose of the gift if conditions change.

N. Gifts from Donor-Advised Funds

1. Donors wishing to make a gift from a donor-advised fund can document their intent to Harvey in a written Letter of Intent Form. Unlike a Pledge Form, the Statement of Intent is not a legally binding document but serves as a planning tool for both the School and donor. Gifts from donor-advised funds will be booked under the donor-advised fund and soft-credited to the donor-advisor.
2. Statement of Intent forms must have the following components:
  - a. Donor-advisor name and address
  - b. Gift designation and purpose
  - c. Donor-advised fund disclosures
  - d. Total anticipated amount dependent on the approval of the sponsoring charity
  - e. Anticipated period and payment schedule
  - f. Any restrictions, special instructions, or named opportunities that are tied to the pledge at the time the pledge is made
  - g. An option for the donor-advisor to be anonymous
  - h. Donor-advisor signature(s)
  - i. Date of statement of intent

O. Management of Gifts by Business Office

1. If the gift or grant is designated by the donor for an established fundraising effort, the gift will be deposited to the restricted account of the respective program and will be available as funding for the program. The use of the funds will be monitored and tracked by the Business Office so that the Development Office will be able to report back on the use of funds to the donor.
2. All gifts, other than those designated by donor(s) for a specific department or program, will be deposited into the Unrestricted Operations Account.
3. Underwriting donations made to the Parent Association will be acknowledged and recorded by the Development Office, in accordance with the processes established between the Development Office and the Parent Association.

P. Write-Off Policies

1. Annual Fund pledges by individual donors that are not fulfilled by June 30 of the fiscal year will be written off. Annual Fund Matching Gift pledges, which may come in after the end of the fiscal year, are kept open and then written off in the next fiscal year if they are not fulfilled.
2. A campaign or endowment pledge remainder equal to 10% or less of the value of the original pledge, and not to exceed \$10,000, may be written off if the Development Office has made a reasonable attempt to collect the payment over a six-month period. Endowment policy for a pledge that has not fulfilled the endowment minimum applies.
3. For pledges that are past due in the amount equal or over \$10,000 and that the Development Office has made a reasonable attempt to collect the payment over a six-month period, the Development Office will work with the Business Office for decision on a subsequent action, which can include write-off, a letter to the donor from the Board treasurer, or a letter from the School's counsel.

#### IV. ENDOWMENTS

##### A. General Principles Regarding Endowment Gifts

1. A gift of \$100,000 or greater can establish a named endowed fund at The Harvey School. The Gift Acceptance Committee must review any gift less than \$100,000 that establishes a new endowed fund. Endowment gifts to pre-existing funds can be accepted without restriction.
2. The School highly encourages gifts to Unrestricted Endowment, as they provide the School the flexibility to use the funds for its most important priorities. Whenever possible, solicitors should educate and guide donors to make an endowment gift of unrestricted use.
3. All gifts to the Endowment should be considered with the following criteria:
  - a. The name to be borne on any gift to the School must reflect positively on The Harvey School.
  - b. The gift is appropriate to the mission and needs of the School.
  - c. The gift poses no undue financial burdens on the School.
  - d. Gift terms are written in reasonably broad and flexible language to maximize their usefulness to the School and are approved with signatures of the donor(s) and the leadership of the School.
  - e. Gift language will permit the School to apply the gift to a related purpose if the designated purpose is no longer practical, necessary or able to be performed.

- f. Restrictions on endowments must be consistent with the School's mission. Such restrictions cannot violate the School's ethical standards in any way, or require discrimination based on race, color, gender, sexual orientation, age, religion, national or ethnic origin, marital status, veteran status, or disability. In situations where there is a question about the appropriateness of a proposed restriction on an endowment gift, the Gift Acceptance Committee will be consulted.
- g. Funds cannot be named for current students or current faculty, except for the Head of School. Funds can be named for a donor's family, though not for a particular student until that student has left the school at which time the fund agreement would be revised with the Development Office. Funds cannot be named for current members of the faculty or staff. If a donor would like to rename a fund after a teacher or member of the staff retires, the fund can be renamed through a new agreement with the Development Office.

B. Use of Endowment Gift Agreements for Endowment Gifts and Standard Components

1. The School will also require gift agreements for permanent name endowment gifts. Gift agreements clearly outline the purpose, schedule, general management, and other mutually agreed-upon terms that relate to the gift. Since the School is entering into an agreement with the donor that his/her gift be managed in perpetuity, the written gift agreement ensures that future generations of administrators and trustees understand the original intent of the donor and agreed-upon terms of the endowment.
2. For unnamed and/or unrestricted endowment gifts, donors may document their preferences through pledge cards, letters, or notes on their checks. Any endowment gifts that do not have any written documentation will be managed according to general School policies and procedures.
3. Endowment agreements shall include the following:
  - a. Donor Name
  - b. Recipient (legal entity)
  - c. Amount of gift and gift schedule
  - d. Specific name of endowment if it is named (recognition)
  - e. Stated purpose of how the endowment distributions will be used (donor intent)
  - f. Statement that the funds will be used in accordance with general operating policies, investment policies, etc. (financial administration)
  - g. Statement that any additional funds put into the endowment will be subject to the agreement (financial administration)
  - h. Statement that if funds cannot be used for the original intent stated

by the donor and the donor can no longer be consulted, the School will use the endowment distributions as closely as possible to the donor's original intent. This statement can also include donor successor language. Statement that the donor will receive annual reports on endowment

funds (stewardship)

- i. Restrictions on endowments ultimately decrease their contribution to the School's finances by the amount of time and effort needed to manage such restrictions. To the extent possible, donor's wishes should be recorded in endowment governing agreements as "preferences," rather than as "restrictions," thereby permitting the School the greatest flexibility and utility for using the gift.

#### C. Gift Acceptance (minimum investment requirements, maximum pledge duration)

1. It is general policy that all endowment gifts made to the School are irrevocable.
2. While there is no minimum donation required to accept a named endowment gift, it is highly preferred that 20% is received up front.
3. Generally, endowed funds will not be newly established, named, or announced until 100% of the funds, or \$100,000, has been received.
4. The balance of the pledge should be fulfilled within five years unless otherwise approved by the Gift Acceptance Committee.
5. If the donor is unable to fulfill the pledge by the end of the agreed upon term, the Gift Acceptance Committee, along with the Finance Committee, will discuss where the money that has already been received will be placed. The fund may be terminated and the proceeds used either for the general purposes of the institution, or under the terms of the agreement under which gifts for the endowed funds were accepted. In general, money that was received in established funds will stay in those funds.
6. All endowed funds established under agreements between the donor and the School will be subject to the minimum funding requirement in effect at the time the agreement was executed, which is to be written into the agreement.

#### D. Administration of Endowment Funds

All funds are managed and invested on a pooled basis in accordance with the Investment Policy Statement approved by the Board of Trustees. Earnings are allocated

to individual designated endowments in proportion to the capital contributed.

1. Endowed funds will be subject to the endowment spending policies established by the Board of Trustees.

#### E. Gift Reporting

The Business Office will provide endowment information to the Development Office, as needed, in order to report back to endowment donors on management and use of their endowment funds.

#### V. Facilities Naming Policies and Procedures

1. The Development Office, in conjunction with the Development and/or Campaign Committees, will establish facilities naming opportunities based on considerations of market value (e.g., "going rate of spaces" and or prominence/visibility of naming opportunities) and/or actual cost of facilities. Naming opportunities will be reviewed by the Development Committee and approved by the Board.
2. Gifts in honor or in memory of loved ones are welcome. If a current family names a facility, it will be the family's choice as to whether the name will be announced or made public before the family's youngest child has left the school. If the family wishes the name to remain anonymous until a later date, the family may reserve the naming opportunity. The donor may also name a facility in honor of a retired member of the faculty or staff, in honor of a loved one or anonymously.
  - a. Donors can reserve naming opportunities with a written pledge, but a naming will occur and be publicly recognized only when 100% of the gift applied to the naming opportunity has/have been received, unless otherwise approved by the Board of Trustees.
3. In order to formally reserve a naming opportunity, Donors must give a cash gift or submit a written pledge equal to or exceeding the amount listed for the naming opportunity. The Donor will also complete and sign a naming agreement, which will include the following information listed below. In cases where the reservation of a naming opportunity occurs at the time of a written pledge, the information below can be included in the pledge form itself.
  - a. Donor name
  - b. Naming opportunity taken
  - c. Gift/gifts applied to the naming opportunity

- d. Type of naming (e.g., plaque, letters, etc.)
  - e. Language to be included in the naming
- Statement that the naming will be subject to the naming policies as stated in this Gift Acceptance Policy, including public recognition only when 100% of the gift has been received and conditions for renaming.
- 4. Renaming can occur under the following conditions:
    - a. When a currently named facility is demolished or significantly modified, expanded, renovated, or repurposed. The Naming Donor will be offered the opportunity to rename the new space at the current naming level. The School can also offer the Donor another naming opportunity or an alternate way to recognize the Donor's previous commitment.
    - b. If the Naming Donor fails to fulfill the full financial commitment attached to the naming opportunity within the specified period of time in the pledge agreement, the Board reserves the right to allow the facility to be renamed.
    - c. If the Naming Donor's reputation and/or a name on the plaque changes negatively to the extent that the Board feels the name is contrary to the best interests of the School, the Board reserves the right to remove the name, and the facility may be renamed.
  - 5. Special circumstances that arise beyond the general parameters listed here will be reviewed and decided up by the Gifts Acceptance Committee.

## VI. Periodic Review and Revision of Policies and Procedures

The Gift Acceptance Committee shall review these guidelines at least every two years and may recommend revisions for approval by the Board of Trustees. These guidelines shall also be reviewed periodically by the Development Committee and/or the Board of Trustees and revised as necessary to ensure compliance with any legislation or regulatory requirements as well as to ensure consistency with the School's Development goals and overall mission.

