



## **The Center for the Performing Arts Gift Acceptance Policy**

*The mission of the Center for the Performing Arts is to welcome, engage, inspire, and transform through compelling performing arts experiences in a world-class environment.*

### **Summary**

This Gift Policies and Guidelines Statement is presented to provide guidance and counsel for the planning, promotion, solicitation, receipt, acceptance, application and disposition of philanthropic gifts made to the Center for the Performing Arts. These guidelines have been adopted to ensure that the acceptance and valuation of gifts is consistent with the mission of the Center and is in compliance with all appropriate federal and state laws and recognized professional standards. The Development Department is fully responsible for implementing the policies as adopted by the Board of Directors.

In the event that this document does not address a particular issue, the national guidelines from the Financial Accounting Standards Board, the Partnership for Philanthropic Planning (PPP) and/or the Association of Fundraising Professionals (AFP) will be observed.

### **General Giving Policies & Guidelines**

The following policies and guidelines govern acceptance of gifts made to The Center for the Performing Arts for the benefit of any of its operations, programs or services. The Development Department, on behalf of the Board of Directors, shall accept all gifts to the Center, having determined that all such gifts are evidence of the donor's philanthropic intent and that the gift is in accordance with the stated mission and goals of the Center. Staff or volunteers acting on behalf of the Center shall not provide legal and/or tax advice and shall in all cases encourage the donor to discuss any proposed gift with independent legal and/or tax

advisors of the donor's choice, so as to ensure that the donor receives a full and accurate explanation of all legal and/or tax implications of a proposed charitable gift.

- The Center staff will adhere to strict confidentiality with regard to any information, records, letters and personal documents pertaining to donors and gifts.
- The Center will pay no fees to any person in consideration of directing a gift or completing a gift instrument to the Center.
- All fundraising efforts and solicitations conducted by the Center shall be meaningful and appropriate to the donor's interests and capabilities.

All policies for gift accounting, crediting and valuing will be derived from national standards recommended by one or all of the following:

- Financial Accounting Standards Board
- Partnership for Philanthropic Planning
- Association of Fundraising Professionals

The Center for the Performing Arts will not accept gifts that:

- would result in The Center for the Performing Arts violating its corporate charter,
- would result in The Center for the Performing Arts losing its status as a 501(c)(3) not-for-profit organization,
- do not have proven monetary value
- are too difficult or too expensive to administer in relation to their value,
- would result in any unacceptable consequences for The Center for the Performing Arts,  
or,
- Are for purposes outside The Center for the Performing Arts' mission.



## **METHODS OF GIVING**

Gifts of cash or marketable securities are the preferred methods of giving to the Center. Other forms, including deferred gifts, are acceptable and may offer qualified donors attractive alternatives, enabling them to significantly increase the level of giving. Donors should consult their tax advisors concerning the appropriateness of a gift technique to their individual circumstances. Gifts shall be valued and receipted to the donor on the date the donor(s) relinquish control of the assets in favor of the Center, in accordance with Internal Revenue Service (IRS) regulations.

## **GIFTS OF CASH OR CASH ITEMS**

The Center will accept outright gifts of cash by a donor, for which the donor receives income tax deduction as permitted by current law. Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, and American Express), card number, expiration date, and name of the card holder as it appears on the credit card. The Center follows rules of gift acceptance required by the IRS for identifying the date of the gift:

- Mail: the postmark date
- Hand delivery: the date of physical receipt
- Wire transfer: the date received in the Center bank account
- Electronically: the date and time stamp of the gift transaction

## **GIFTS IN-KIND**

The Center will accept gifts in-kind in accordance with IRS Publication 526. Gifts will be appropriately receipted as required by the IRS. Gifts In-Kind that have tangible value once given are assets of the Center and may be sold upon receipt. Gifts In-Kind may be refused if they do not meet the criteria listed above.

## **GIFTS OF REAL PROPERTY**

The Executive Committee shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- Does the property further the organization's mission?
- Is the property marketable? Are there any unacceptable restrictions imposed on the property?
- Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
- Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?
- Is the title/provenance of the property clear?

Once received gifts of Real Property may be maintained or liquidated as an asset of the Center.

## **GIFTS OF LIFE INSURANCE**

The Center for the Performing Arts will accept gifts of life insurance where The Center for the Performing Arts is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

## **MARKETABLE SECURITIES**

Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by The Center's Development Committee.

- The date of the gift shall be determined by:
  - Mail: the postmark date



- Hand delivery: the date of physical receipt
- Via transfer agent: the date on the certificate issued in the name of The Center
- Via Broker: the date the security is transferred to an account in the name of The Center
- Value of gift:
  - The value of the gift shall be an average of the high and low price or the bid and asked price of the security on the Date of Gift as reported by the brokerage firm to the Center Staff
  - Valuation of the gift will be reported to the donor following IRS regulations
- Sale of gift:
  - Gifts of marketable or non-restricted securities will be sold immediately upon The Center becoming legal owner of the security. Any gain or loss on the sale, including transaction costs will be borne by the account credited with the gift.

The Center reserves the right to decline gifts of restricted or closely held and non-marketable securities. In such instances the decision whether to accept the restricted securities shall be made by the CEO/President in consultation with the Development Committee and Executive Committee.

## **PLANNED GIFTS**

Donors are encouraged to make bequests to The Center for the Performing Arts under their wills, and to name The Center for the Performing Arts as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

The staff and volunteers shall encourage assets transferred through bequests that have immediate value to The Center, or that can be liquidated.



The Center will not act as Trustee or Executor of a donor's will.

### **GUIDELINES FOR REVIEW**

The Center for the Performing Arts will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- Gifts of securities that are subject to restrictions or buy-sell agreements.
- Documents naming The Center for the Performing Arts as trustee or requiring The Center for the Performing Arts to act in any fiduciary capacity.
- Gifts requiring The Center for the Performing Arts to assume financial or other obligations.
- Transactions with potential conflicts of interest.
- Gifts of property which may be subject to environmental or other regulatory restrictions.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the CEO/President in consultation with the Development Committee, and Executive Committee. This document is a living document and will be reviewed annually by the Development Committee.

Approved by the Development Committee

10.28.15