



## **Gift Acceptance Policy**

*Updated June 2021*

The Virginia War Memorial Foundation (the Foundation) is a tax-exempt 501(c)(3) organization dedicated to honoring Virginia's veterans, preserving history, educating Virginia's youth and inspiring patriotism in all.

The intent of this policy is to encourage funding for programs, events, films, and other initiatives necessary for the advancement of the Foundation's mission. This policy is intended as a tool for donors as they plan their philanthropy and should be viewed as a flexible set of guidelines.

The role of the Foundation staff, Foundation directors, and other volunteer solicitors is to inform, service, or otherwise assist donors, but never to pressure or unduly persuade. No person acting in any capacity on behalf of the Foundation shall receive commissions or finders' fees with respect to gifts generated. The Foundation will comply with requirements for charitable solicitation registration. The Board of Directors of the Foundation welcomes conversations about potential gifts and welcomes questions about this policy and the administration of the funds entrusted to the Foundation. Special gift situations, or situations not covered in this policy will be evaluated case-by-case by the Gift Acceptance Committee.

### **The Gift Acceptance Committee**

The Gift Acceptance Committee includes the Chair of the Advancement Committee; the Chair of the Finance, Audit, and Endowment Committee; the Treasurer of the Board of Directors; the Chair and Vice Chairs of the Board of Directors; the President of the Foundation, and the Director of Communications and Development. The Gift Acceptance Committee is charged with reviewing annually the Gift Acceptance Policy and the Donor Privacy Policy.

### **Gift Planning**

Prospective donors to the Foundation are encouraged to seek the assistance of independent legal and tax advice relating to their gifts and the resulting tax and estate planning consequences.

## **Donor Confidentiality**

Information concerning donors or prospective donors shall be kept confidential by all representatives of the Foundation. Donor names within giving ranges may be published in Foundation publications, online, and on other recognition walls, for recognition purposes, unless a donor requests anonymity.

## **General Gift Acceptance Conditions**

The Foundation will accept only gifts that are consistent with its core values and mission and are in compliance with state and federal statutes, regulations, rulings, or court decisions that stipulate the conditions under which contributions can be tax favored and are compatible with the tax-exempt status of the Foundation.

The Foundation will not accept any gift that:

- Violates any federal, state, or local statute or ordinance;
- Creates a fund that gives the donor the right to designate the recipient of funds, i.e. internships, fellowships, or scholarships;
- Commits the Foundation to a naming situation where the gift is potentially revocable;
- Exposes the Foundation to litigation or other liabilities;
- Generates unrelated business income to the Foundation which may jeopardize its tax-exempt status; or
- Otherwise appears to be financially unsound in the judgment of the Gift Acceptance Committee.

## **Acceptance of Specific Outright Gifts**

***Cash and checks, and gifts by credit cards*** may be accepted regardless of the amount. The value of such a gift is its face value.

***Corporate Matching Gifts*** are encouraged as a way to maximize the benefit to the Foundation. The individual's gift plus the corporate matching gift is credited to the individual's record. The individual's charitable tax deduction is limited to the individual's gift. The individual and the corporation are credited on recognition lists.

***Publicly Traded Securities*** may be accepted by the Foundation. The Foundation will sell such securities as soon as possible after the securities have been transferred to the Foundation, unless otherwise directed by the Finance, Audit and Endowment Committee.

In no event will an employee or volunteer working on behalf of the Foundation commit to a donor that a particular security will be held unless authorized by the Gift Acceptance Committee.

The value of a gift of securities is the average of the high and low of the stock(s) or bond(s) on the day the transfer is made by the donor. The value of the securities will be the gift value credited to the donor.

**Closely Held Securities** may be accepted only after approval of the Gift Acceptance Committee. Such securities subsequently may be disposed of only with the approval of the Gift Acceptance Committee. Prior to completion of any gift of this kind, the Foundation will not commit to resell it to any specific party or parties.

**Real Estate** will not be accepted without prior approval of the Gift Acceptance Committee. No gift of real estate will be accepted without first receiving a qualified appraisal by a party chosen by the Foundation who will have no business or other relationship to the donor. In general, the Foundation will not accept real estate encumbered by a mortgage.

**Tangible Personal Property** will not be accepted unless there is reason to believe the property can be sold in a reasonable amount of time. No personal property will be accepted that obligates the Foundation to retain ownership of it in perpetuity. No perishable property or property that will require special facilities or security to safeguard the property will be accepted without prior approval of the Gift Acceptance Committee.

The exceptions to this policy are gifts of collections related to the mission of the Virginia War Memorial, as deemed appropriate by the Director of the Memorial (the Director). The donor of such item is responsible for obtaining a qualified appraisal to determine fair market value. This appraisal can be done up to 60 days before the gift is made, or any time after the donation preceding the filing of the tax return for the tax year in which the gift was made. Expenses incurred to obtain an appraisal shall be the responsibility of the donor.

**In-Kind Gifts** of skilled services and tangible assets consistent with the Foundation's mission and non-profit status are gratefully accepted. Such gifts may be claimed as tax deductible contributions. Federal regulations state, however, that donors must estimate the fair market value of donated goods and services.

**Intangible Personal Property** such as mortgages, notes, copyrights, royalties, easements—whether real or personal, will be accepted only by action of the Gift Acceptance Committee.

## **Policy for Acceptance of Deferred Gifts**

### **Bequests**

Monetary gifts through wills (*bequests*) and retirement plans (IRAs, pension plans, 401(k), 403(b)) are encouraged by the Foundation. Any funds received by the Foundation through the settlement of a benefactor's estate will be earmarked for the endowment except when the

benefactor has specified the use of the bequest, or when doing so imperils the continued financial operation of the Foundation.

Estate gifts of collections will be accepted or rejected by the Director. Attempts will be made to discover bequest expectancies wherever possible in order to plan for the financial future of the Foundation and to reveal situations that might lead to gifts that cannot be accepted by the Foundation.

### ***Charitable Trusts and Charitable Lead Trusts***

The Foundation may be named as a beneficiary or remainder beneficiary in charitable remainder trusts and charitable lead trusts. The Foundation is not authorized to act as a trustee of charitable trusts.

### ***Gifts of Life Insurance***

Donors will be encouraged to name the Foundation as the “last beneficiary” to receive all or a portion of the benefits of insurance policies they have purchased on their lives.

The Foundation will not accept gifts from donors for the purpose of purchasing insurance on the donor’s life. The Foundation will endorse no insurance product for use in funding gifts. In no event will the Foundation furnish lists of its donors to anyone for the purpose of marketing life insurance for the benefit of donors and/or the Foundation.

### **Policy for Establishing Named or Restricted Funds**

Donors may establish a named fund that may or may not be named for or by the donor, require that the corpus in whole or in part be invested permanently, and be restricted as to purposes. Distribution from the named, or restricted fund, shall be the rate deemed prudent by the Finance, Audit and Endowment Committee unless a different rate is agreed upon by the donor and the Gift Acceptance Committee.

The wishes of donors will be loyally observed as long as such wishes do not conflict with the proper administration of the Foundation. When changes occur making it impractical for the Foundation to adhere to the original wishes of the donor, in the opinion of the Gift Acceptance Committee, the fund shall be used for other purposes aligned as closely as possible with the original donor wishes. Such modifications will be communicated to the donor whenever possible and practical.

At its discretion, and to provide a strong financial base for the Foundation, an administrative fee may be applied on a named or restricted fund if that fund is not otherwise contributing to the advancement of the Foundation mission. The fee shall be considered a part of the endowment distribution, and not a fund expense. It may be used to cover the expenses of

administration and investment management of the fund. The decision to apply such a fee will be made on a yearly basis by the Gift Acceptance Committee.

### **Gift Agreements**

Gifts of any nature are normally accompanied by a letter or form from the donor that specifies the use to which the gift is to be put. Ideally, the gift letter should include the following points for ease in administering the fund:

- Clearly state the donor's commitment to make a gift;
- Provide a brief description of the gift (e.g. cash, shares of stock, personal property); and
- Identify the purpose(s) for which the gift will be used.

When such a letter does not come with the gift, Foundation staff will send a letter to the donor outlining these points, making a copy available to the donor.

### **Realized Testamentary Gifts**

All bequests or other deferred gifts realized during the defined duration of a capital campaign may be counted at full value in capital campaign totals so long as the gift was not counted in a previous campaign.