

# GIFT ACCEPTANCE AND STEWARDSHIP POLICY

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## I. PURPOSE

The purpose of the gift acceptance guidelines is to provide equitable protection for the interests of Thetford Academy and the interests of those who financially support the Academy's programs through charitable gifts. Gifts to TA may include: cash, charitable remainder unitrusts, bequests, retirement plan distributions, life insurance, stocks and securities, and valuable assets.

## II. DEFINITIONS

- A. Donations with no restrictions: Gifts to the organization that are expendable for any purpose in performing the primary objectives of the organization.
- B. Donations with restrictions: Gifts that are restricted by the donor or other outside agency for specific operating or capital purposes.
- C. Real Property: Defined as land and generally whatever is affixed to the land and those rights that issue out of land.
- D. Other Tangible Property: Defined as jewelry, works of art, collections, equipment, in-kind gifts or other personal property.
- E. Intangible Property: Generally defined as those forms of property that do not have a physical existence and represent an ownership interest in an underlying asset.
- F. Publicly traded securities: Securities that are traded on an exchange or other publicly reported market may be accepted by Thetford Academy.

## III. COMPONENTS OF POLICY

Thetford Academy's Advancement Office is responsible for the solicitation, receipt, processing, and stewardship of all gifts, including grants, to Thetford Academy. Thetford Academy will encourage financial support without encumbering the organization with gifts that may be restricted in a manner that is not in keeping with its mission, or are likely to generate a disproportionate cost or obligation for the benefit received by the organization.

## **A. General Guidelines**

### **1. Legal rights and responsibilities**

Three major authorities determine Thetford Academy's rights and responsibilities in administering gifts: *legal*, *donor*, and *Board of Trustees*. The primary legal authorities are federal and state law. The third authority is the Board of Trustees of Thetford Academy. The Trustees have ultimate authority over the acceptance and maintenance of gifts, endowments, and investments. Because of the time and effort needed to effectively manage an endowment, and the inherent limitations of how restricted endowments can be used, Thetford Academy sets a minimum of \$25,000 to accept an endowed gift without restrictions, and a minimum of \$50,000 to accept an endowed gift with restrictions. Thetford Academy will comply with all local, state, and federal laws and regulations concerning every gift it encourages, solicits, or accepts. Other legal regulations (federal tax and securities laws), doctrines, and considerations may affect the procedures and policies of the organization in its administration, processing, and stewardship of gifts. Thetford Academy may seek legal counsel in matters related to gift acceptance when appropriate. Additionally, Thetford Academy shall urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

### **2. Donor Restrictions**

A donor may restrict the terms of a gift by means of a "gift instrument," a document signed by the donor that states the donor's intent.

### **3. Privacy and confidentiality**

Confidentiality and privacy shall be respected in all cases per the donor's intent. A donor may elect to remain anonymous for a particular gift. The Advancement Office will respect the donor's request in acknowledgement and public recognition of the gift. All data concerning gifts made to Thetford Academy is considered confidential and private. Thetford Academy will not release or publish a donor's giving history or sensitive biographical information unless the donor requests in writing the release or publication of this information. Thetford Academy will not sell or trade the biographical information, likeness, or volunteer activity of donors or potential donors. This data is considered private and will not be compromised.

### **4. Acceptability**

Acceptability of gifts is determined by the Gift Review and Acceptance Committee (Head of School, Director of Advancement, Chair of Resources Committee, Chair of Advancement Committee, and the Director of Finance) that make recommendations to accept (or decline) gifts to Thetford Academy. In general, the Gift Review and Acceptance committee will review gifts greater than \$10,000 that have restrictions or are non-cash. The Director of Advancement and Director of Finance will regularly report all gift activity to the Board of Trustees.

## **B. Gift Acceptance Terms & Policies**

- 1. Donations without Restrictions:** Gifts to the organization that are expendable for any purpose in performing the primary objectives of the organization. Unrestricted contributions of any amount will be accepted and allocated by the Head of School and the Resources Committee. The Head of School, the Chair of Board Management, Resources, and Advancement Committees shall be notified when a contribution of \$50,000 or more is made to Thetford Academy.
- 2. Donations with Restrictions:** Gifts that are restricted by the donor or other outside agency for specific operating or capital purposes. When a donor wishes to make a restricted gift to Thetford Academy, the Head of School and Director of Advancement will determine whether or not the restriction as proposed will impose administrative burdens or costs that outweigh the gift's benefit and make a recommendation to the Gift Review and Acceptance Committee to accept or decline the gift.

Legally, the donor has the right to restrict a gift only at the time it is offered to Thetford Academy. At the time of the original restricted gift, the donor shall sign a Statement of Understanding detailing the nature of the gift, its restricted purpose, and an alternative use clause that provides for an alternative use of the gift should the original restricted purpose no longer be able to be accommodated by the school.

- 3. Real Property:** Defined as land and generally whatever is affixed to the land and those rights that issue out of land. In the event Thetford Academy receives a gift of real property, the Gift Review and Acceptance Committee shall make a recommendation to the Resources Committee as to the acceptance of this gift. The Resources Committee will determine whether or not to accept the real property gift. Thetford Academy may use a professional appraiser to assist in evaluating gifts of real property.

4. **Other Tangible Property:** Defined as jewelry, works of art, collections, equipment, in-kind gifts or other personal property. In the event Thetford Academy receives a proposed gift intention of tangible property, the Gift Review and Acceptance Committee shall make a recommendation to the Resources Committee as to the acceptance of this gift. The Resources Committee will determine whether or not to accept the tangible property gift. Thetford Academy may use a professional appraiser to assist in evaluating gifts of tangible property but it is not required to do so under law.

Gifts of furnishings, books, computers, other tangible items or out-of-pocket expenditures for items to benefit Thetford Academy may be accepted and credited to the donor as a tax deductible contribution to the extent allowable by law.

Professional services by individuals will not be accepted. Professional services provided by corporations, businesses, and vendors associated with the community or the Academy may be accepted as long as a detailed accounting of the hours of work supplied and the established rate per hour for those services accompanies the gift. A fair value hourly or contract rate associated with the service must accompany notification of this gift. Thetford Academy may accept used motor vehicles and other gifts of tangible property pending review and approval by the Gift Review and Acceptance Committee.

5. **Intangible Property:** Generally defined as those forms of property that do not have a physical existence and represent an ownership interest in an underlying asset.
6. **Publicly traded securities:** Securities that are traded on an exchange or other publicly reported market may be accepted by Thetford Academy. Such securities will typically be sold immediately upon receipt and the cash value credited to the donor for tax purposes unless the Resources Committee authorizes them to be held for a longer term as part of the TA investment portfolio. Donors of publicly traded securities will be encouraged to notify Thetford Academy in advance of such a gift in order to accommodate the immediate liquidation of the securities upon receipt.
7. **Securities issued by closely held companies:** In the event Thetford Academy receives a gift of non-publicly traded securities, the Gift Review and Acceptance Committee shall make a recommendation to the Finance Committee as to the acceptance of this gift. The Resources Committee will determine whether or not to accept the gift.

- 8. Deferred or Planned Gifts:** Such gifts include charitable gift annuities, bequests, charitable remainder trusts or other gifts by will or living trust, gifts to pooled income funds, and remainder interests in properties. Deferred or planned gifts such as these may be accepted upon the consideration and consent of the Gift Review and Acceptance Committee that will then forward the information concerning the gift to the Resources Committee with a recommendation. Thetford Academy may use a financial partner to manage deferred gifts.

### **C. Review and Responsibilities**

Review: These guidelines shall be reviewed every three years on or before October 1st. Responsibilities: The Director of Advancement shall initiate review in conjunction with the Advancement Committee, Head of School, the Gift Review and Acceptance Committee, and the Board Management Committee.

ADOPTED: November 10, 2022