

DONOR POLICY GUIDELINES



BOYS & GIRLS CLUB
OF DANE COUNTY

BGC DONOR RELATIONS POLICY

Boys & Girls Clubs of Dane County (hereinafter referred to as the Club) is committed to treating donors with respect, gratitude, and consideration. All interactions with donors are governed by the Boys & Girls Club Donor Relations Policy as set forth here.

Donor Intent

Donors' wishes with regard to recognition will be considered to the extent possible, as long as their intended use of funds is in keeping with the mission of the Club and with the policies and priorities of the organization as expressed in the management plan. The Club will not accept a gift for which it is incapable of honoring donor intent. Further details regarding donor intent are outlined in the Club's Gift Acceptance Policies.

Acknowledgment

All gifts, regardless of value, form, or stipulations, shall be acknowledged by the Club in the form of a written substantiation, including a gift receipt. When appropriate, statements as to whether a donor has received any goods or services in return that might lower the deductible portion of the contribution are included in all acknowledgments.

Recognition

All donors will be publicly recognized unless a donor indicates that he/she wishes to remain anonymous. Types of recognition at the various donor giving levels can be found at the Club's website, www.bgca.org.

Confidentiality

Development staff shall maintain confidentiality concerning all correspondence regarding contributions, gift records, prospect information, and all other data on donors, and will ensure that this donor information is used on a need-to-know basis only for the support of fundraising efforts for the Club. The Club may share a donor's contact information with other reputable organizations, such as other nonprofits, art institutions, and media companies. If a donor does not want to be contacted by the Club, or if the donor does not want the Club to share his/her contact information, he/she can let us know by writing.

Information Sharing

The donor has the right to know how his/her contribution or grant is being used and what the organization has been able to accomplish with the gift. Through correspondence, newsletters, and annual reports, the Club will update donors on how their support is directly impacting the community served by the organization. The Club will not share or sell a donor's information with anyone else, nor send donor mailings on behalf of other organizations.

MONETARY GIFTS

All checks must be made payable to Boys & Girls Clubs of Dane County and shall in no event be made payable to an employee, agent, or volunteer for the credit.

Gifts-in-Kind

The Club will accept gifts of various kinds, such as gifts of cash and non-cash property, including securities, life insurance, real property, tangible personal property, intangible personal property, business ownership interests and other non-cash property of value. Our Development Office will report gift values to our Accountant Firm/personnel and they will record value of gifts regularly throughout the year.

Gifts of Real Estate

Gifts of real estate may be accepted only by the RDM Committee. No gift of real estate shall be accepted without first being appraised as to value and evaluated as to potential environmental problems, where appropriate, by a party chosen by RDM Committee who shall have no business or other relationship to the

donor. In general, real estate will be accepted only if it is likely to be readily marketable and is not likely to involve significant carrying charges or administrative burdens until it can be sold. Any real estate accepted by CLUB will be sold as promptly as possible. The RDM Committee may make exceptions to these real estate policies in particular cases. The acceptance of real estate encumbered by a mortgage requires approval by the RDM Committee

Gifts of Securities

Gifts of marketable securities may be accepted only by the RDM Committee. Such gifts will be sold as soon as practicable at the market rate and the net proceeds used to provide Club service as agreed by the donor and the Development Committee.

Gifts of securities that are not readily marketable will be submitted to the RDM committee for an acceptance decision. The CLUB will consider acceptance of gifts subject to economic conditions, such as the assumption of donor indebtedness, joint tenancy arrangements with donors, provisions for life estates and other economic stipulations that may obligate the CLUB. Generally, CLUB will agree to accept such gifts in cases where there is a reasonable expectation that periodic cash flow from the properties will exceed the debt service requirements and / or obligations. In no event will CLUB enter into agreements that will place a material obligation or a lien upon Club system assets or general budget revenues.

If the gift produces unrelated business income to the CLUB, for federal income tax purposes, the income tax obligation will be taken into consideration when assessing the periodic cash flow requirements.

GIFTS OF TANGIBLE PROPERTY

The CLUB will not accept jewelry, artwork, collections, and other tangible personal property unless the employee, agent or volunteer reviewing the gift on behalf of CLUB has reason to believe the property has a value in excess of \$100. Such property can only be accepted by the RDM Committee.

Unless approved by the RDM Committee, the CLUB will not accept tangible personal property unless there is reason to believe the property can be sold quickly, nor will it accept personal property that the Club system is obligated to own in perpetuity. The CLUB will not accept perishable property or property that requires special facilities or security to safeguard properly without prior approval of the RDM Committee.

The CLUB may accept tangible personal property only after the RDM committee receives and reviews a qualified appraisal of the property. Only the RDM committee may represent to a donor that property will or will not be held by CLUB for a requisite period of time or for purposes related to its tax-exempt status. Donors should be notified at the time of receipt of a gift that CLUB will, as a matter of corporate policy, cooperate fully in all matters related to tax investigations of non-cash charitable gifts.

DEFERRED GIFTS

In the event of inquiry by a prospective donor, representations as to the future acceptability of property proposed to be left to CLUB in a will or by other deferred gifts shall be made only by CEO in consultation with the Chair of the RDM Committee. Gifts from the estates of deceased donors consisting of property for the CLUB cannot accept shall be rejected only by action of the RDM Committee. The legal counsel of CLUB will expeditiously communicate the decision of the RDM committee to the legal representatives of the estate.

Any dissatisfaction with the decision of the RDM committee indicated by any representative of the estate or any family member of the deceased shall be communicated to the Executive Committee of the Board of Directors as quickly as possible.

Charitable Remainder Trusts

In general, the CLUB will not serve as trustee of a charitable remainder trust for the benefit of the institution. This policy may be waived only by approval of the Board following recommendation of the RDM Committee. The RDM committee will identify a number of corporate fiduciaries in which it has confidence. However, CLUB will not recommend a particular fiduciary to a donor. The CLUB will pay the fees for management of a charitable remainder trust only upon approval of the RDM Committee. Employees and other persons acting on behalf of CLUB shall not make representations as to the manner in which charitable remainder trust assets will be managed or invested by a corporate fiduciary. Charitable remainder trusts and all other deferred gifts shall be encouraged as a method the donor may use to make gifts to CLUB while retaining income he or she may need for any number of personal purposes. Such trusts shall not be recommended as tax avoidance devices or as investment vehicles.

Charitable Gift Annuities

Charitable gift annuities and deferred payment charitable gift annuities must be approved by the RDM committee prior to acceptance. The CLUB may accept life estate gifts by approval of the RDM committee in situations where the involved asset appears to be a minor portion of the donor's wealth and the committee is satisfied that full disclosure of the possible future ramifications of the transaction has been made to the donor.

Gifts of Life Insurance

The CLUB will encourage donors to name CLUB as total or partial beneficiary of insurance policies they have purchased on their lives. The CLUB will not agree to accept gifts from donors for the purpose of purchasing life insurance on their lives without prior approval of the RDM Committee. In no event shall insurance be purchased unless CLUB has demonstrated an insurable interest under applicable state law. The CLUB may not endorse particular insurance companies or products for use in funding gifts to CLUB. In no event shall a representative of CLUB furnish lists of donors to anyone for the purpose of marketing life insurance for the benefit of donors or CLUB.

Legal Counsel

All bequest and planned gift donors are advised to seek legal counsel prior to finalizing wills and other plans for deferred gifts. The CLUB may not endorse particular legal representatives to represent donors for the purpose of making gifts to CLUB.

RECOGNITION AND REPORTING OF GIFTS

The CLUB will acknowledge in writing all gifts that have been finally accepted by the CLUB. All gifts will be recognized in an appropriate manner; in accordance with the "Gift Recognition Procedure" The RDM committee will review these procedures annually and make any recommendations for changes. CLUB donors will be listed in the annual report each year. In addition, the RDM committee will be responsible for timely communication to the prospective donor when a gift is not accepted.

Restricted Gifts

The CLUB will make every attempt to honor the donor's wishes in the use of gifts made to the Club. Gifts made to specialized funds or earmarked for specific building or other projects will be tracked separately and expended accordingly. The CLUB may accept gifts restricted by donors, provided the nature of the restriction is consistent with the Club system's overall programs or, in the case of property gifts, the donor restrictions will be stated in writing and retained on file in Community Relations Office. However, the RDM committee and the Board reserve the right to refuse any gift which are not compatible with the Club's mission or which compromise the Club development or other policies.

Unrestricted Gifts

Unrestricted monetary gifts may be placed in the CLUB general operating fund and used as part of the general budget process.

NAMING OPPORTUNITIES POLICY

Naming opportunities involving buildings must be approved by the Board of Directors based on the recommendations of the Executive Committee, Resource Development & Marketing Committee & the CEO. To name a new building with a private funding component, a donor must contribute at least 50 percent of the private fund-raising goal. In all cases, a gift of at least \$1 million is required to name one of our buildings. Below are the guidelines approved by our Board of Directors.

- a. Personal achievements in the community, service role, while maintaining close ties with and providing significant support to the club; or
- b. In the case of naming a major facility for a donor, a substantial, irrevocable, financial contribution equivalent to at least 50 percent of the replacement or construction costs of a facility, with the timing of funding specified in a gift use agreement.
- c. In the case of naming a minor facility for a donor, a substantial contribution toward equipping and/or remodeling the facility as well as an endowment for operating and/or recapitalization expenses. In general, minor facility names will be assigned for a designated period of time, in keeping with the expected tenure of the facility's function.
- d. The Club reserves the right to refuse a naming request or to reverse a naming decision should the individual, group of individuals, or organizations after which the building is named or is to be named, be shown to have rejected values that preserve human dignity and/or the educational ideals of the club, or in the case of a facility named after a donor, failure to fulfill the terms of the gift use agreement.
- e. If a building has been renovated and/or repurposed, the building may be renamed.
- f. Any request to rename, add, or remove a name from the club should include documentation pertaining to the original naming, if available, and subsequent name change proposal. If it is proposed that a facility be renamed, a second name be added, or name be removed, BGC representatives will inform, in advance, the original donor or honoree and/or their immediate family, if possible. Naming rights will not usually extend beyond the normal life of the building. There may be recognition of earlier donors or honorees in an appropriate location.