



CENTRAL CATHOLIC
HIGH SCHOOL

A Marianist College Preparatory Institution, 1852 · San Antonio, Texas

Giving Young Men The Advantage.

General Gift Acceptance Policies

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I. Introduction and Purpose of these Policies

Central Catholic High School, a not-for-profit organization organized under the laws of the State of Texas, encourages the solicitation and acceptance of gifts for purposes that will help the School to further and fulfill its mission.

These policies set forth the terms, conditions, procedures and protocols for soliciting, accepting, recording and recognizing donors of gifts to the School or any of its programs. Adherence to these policies is intended to achieve the following objectives:

- Assure complete, accurate and consistent reporting of gifts and pledges;
- Comply with Internal Revenue Service regulations and acceptable business practices;
- Encourage donors to make the largest gifts possible, in forms that are the most advantageous for them;
- Protect the School's reputation and tax exempt status;
- Guide the Development Office staff and all other persons involved in soliciting, documenting, administering, and acknowledging gifts made for the benefit of Central Catholic High School; and
- Uphold ethical giving standards and avoid real or perceived conflicts of interest.

These policies are essential to assure that:

- donors find the process of giving easy, understandable, and consistent;
- gifts are appropriate to the mission and priorities of the School;
- no gifts impose unanticipated financial burdens on the School; and
- if gifts are restricted or intended for long-term use, that they are donated and received according to reasonably broad and flexible terms, to maximize their usefulness to the School.

Aspects of Capital Campaign Gift Acceptance Policies that aren't covered in these policies (e.g., campaign purpose, beginning and ending dates, naming policies) will be created prior to the initiation of any campaign, for board approval. In general, Central Catholic High School's management and staff must exercise sound judgment in handling situations not specifically covered in these policies, keeping in mind mutual satisfaction for the donor and the School's long-term vision. These policies will be reviewed from time to time by the School's Office of Development and the Development Committee of the Board of Directors, to insure that they reflect relevant changes in IRS regulations, accounting standards, or other applicable guidelines.

Appendix A includes Definitions of Terms used throughout these Policies. Central Catholic High School development program subscribes to the Donor Bill of Rights as created and periodically updated by American Association of Fund Raising Counsel (AAFRC), the Association of Healthcare Philanthropy (AHP), the Association of Fundraising Professionals (AFP), and the Council for the Advancement and Support of Education (CASE). It is incorporated in these policies as Appendix B.

II. Gift Solicitation Guidelines

Responsibilities of the Advancement Office: The Advancement Office plans and implements efforts to raise support for advancing the mission of Central Catholic High School. Its responsibilities include:

- A. Managing the process of solicitations by all authorized parties, including maintaining visit reports and prospect information.
- B. Preparing appropriate gift and pledge forms and designated fund agreements, to assure that gifts are properly recorded and valued in the School's donor database.
- C. Acknowledging and thanking donors in ways that meet IRS requirements and reflect the School's gratitude for gifts received.
- D. Transmitting gifts to and reconciling reports with the Business Office in a timely, complete and accurate fashion.
- E. Disseminating to appropriate parties, implementing, and enforcing these Gift Acceptance Policies.

Coordination of solicitations: The Advancement Office establishes the calendar of fundraising activities, so as to avoid overlapping solicitations of donors and to maximize the potential for success in each endeavor.

- **In-house solicitations:** No broad-based solicitation of funds should be undertaken by any department, class, team, club or individual without the prior approval of the school President or that person's designee. The President may authorize the Development Director to approve or disapprove a fundraising project based on established fundraising priorities for the School. In cases where the level of priority for a project is not clear, the Advancement Director will consult with the Chair of the Advancement Committee.
- **External contacts:** No agent or representative of the School may solicit a prospect—whether an individual, foundation, corporation, federation, association, or other donative or grant-making entity—without prior knowledge and approval from the Advancement Director.

Use of Personal Advisors: The School will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to gifts that have significant tax or estate planning consequences.

Record Keeping: Information regarding donor histories, lists of donors, and other such materials is maintained by the Advancement Office. Gift records at Central Catholic High School are confidential, and may be disclosed only with the authorization of the Advancement Director.

Confidentiality

- All fund-raising related discussions concerning major gift prospects whether individual, foundation, or corporation are to be held in confidence.
- All information concerning financial capability, past giving patterns, specific gifts, and/or personal disclosures about giving interests are to be treated confidentially.

- All discussions and/or reports of gifts and capital campaign commitments made during campaign committee meetings are to be held in confidence until the donor's desires concerning publicity or anonymity are expressed in the written confirmation of the pledge or gift.
- Policies regarding anonymity and the reporting of gifts are covered in Policies Concerning Donor Recognition.

III. Types of Gifts Accepted and Valuations

Outright gifts: Central Catholic High School accepts cash, checks, and credit cards at face value. Publicly traded securities are also accepted, managed in compliance with the School's financial policies, and valued in compliance with existing laws and Internal Revenue Service regulations.

Matching gifts: Cash gifts received from organizations or corporations to match gifts or volunteer time from individuals who are associated with that organization will be credited to the company, with soft credit to the individual donor's record. Unless explicitly prohibited by the matching organization, these funds will be allocated to the same purpose as the individual donor's gift.

Gifts in Kind: Gifts of tangible personal property (books, equipment, art, etc.) will be accepted on a case-by-case basis, and are especially welcomed if they offset a budgeted expense or can be sold. (See section below on tangible personal property.)

Gifts of professional services will be accepted, and credited with an assigned dollar value only if they offset a planned expenditure.

Pledges: Pledges to the Annual Fund are typically payable within the same fiscal year that they are committed. However, a donor may make an Annual Fund pledge payable over many years (typically up to five years); in this case the amount paid each year is credited to that year's Annual Fund campaign. Annual Fund pledges that are not fulfilled in the specified time period are either renegotiated or removed from pledge records.

Payments for multi-year pledges for any purpose normally will not be accepted over more than five years. Exceptions for very large or unusual gifts may be authorized by the Advancement Committee (see Authorizations, page 5). The value of pledges extending beyond five years may be discounted for accounting and donor recognition purposes, in accordance with CASE Management Reporting Standards.

Gifts requiring review and Board approval: The School may also accept real property, closely held securities, or tangible personal property after review by the Advancement Committee.

- Real Estate: The fair market value of real estate must be determined by an independent appraisal obtained by the donor, and may also be appraised separately by the School. Property must have a “clear and marketable” title. Easements and/or restrictions must be disclosed, and acceptable to Central Catholic High School. Title to property contaminated with hazardous waste or subject to other contingent liabilities will not ordinarily be accepted.
- Closely held securities: Any restrictions sought by a donor on the disposition by the School of closely held securities must receive specific approval of the Advancement Committee.
- Tangible personal property: Gifts of tangible personal property valued at \$5,000 or more (e.g., jewelry, coin collections, etc.) require an independent appraisal of fair market value, which is obtained by the donor. The School will follow IRS-mandated procedures for reporting such gifts, and any resale within two years.

Gifts that would cause significant facilities and installation issues must have the input of the Business Office Director. The School reserves the right to dispose of such gifts at any time unless otherwise agreed with the donor.

Honor or Memorial Gifts: Gifts in honor or memory of someone will be accepted, for purposes defined by the donor or the decedent’s family in collaboration with the School. The School will periodically send a notice to the honoree or a family representative noting the names of the donors but not listing the amount of their gifts. Unless otherwise designated by the donor, honor and memorial gifts will be allocated to the School’s Annual Fund.

Honor/Memorial donors may request the creation of a specific named scholarship fund in honor or memory of specific individuals after at least \$1,000 in gifts has been received by the School. All named scholarship fund requirements apply (\$10,000 minimum within five years).

Gifts of future interest: In the case of future gifts (such as bequest expectancies, life income gifts, retirement plan assets, or life insurance), valuation is determined by the CASE Management Reporting Standards.

Bequest expectancies may be counted toward fundraising goals when accompanied by proper documentation. Those from donors who are at least 80 years old will be valued and recognized at full face value. Donors younger than 80 years of age will be recognized for the full value of their future gift, but that amount credited toward campaign goals will be discounted according to the donor’s actuarial life expectancy.

Donors will also be encouraged to name the School as beneficiary or contingent beneficiary of a life insurance policy or retirement account. Such designations shall not be recorded as gifts until such time as the gift is irrevocable, at which time the present value of that gift may be recorded.

Gifts of life insurance may be gifted to the School as beneficiary and irrevocable owner. If any premiums are still owing, the donor can agree to pay them via a cash contribution to the School in the amount of the premium. If the donor elects not to continue to make gifts to cover premium payments on the life insurance policy, the School may, at its discretion: continue to pay the premiums; convert the policy to paid up insurance; or surrender the policy for its current cash value.

The School is an eligible beneficiary of charitable life income gifts (trusts, annuities, etc). However, the donor must engage a trustee (such as himself, a bank, a community foundation, or similar financial institution) to manage the funds, since the School does not serve as trustee. It is important that the staff work with the donor and donor's counsel to insure that the School will be able to carry out the donor's wishes.

Unless otherwise restricted by the donor, gifts of future interest will be designated by the Board of Directors upon receipt for either a Board-designated fund or for building purposes, so as to enhance the School's assets.

Stock transfers and sales

- In the case of the gift of or pledge payment in the form of marketable securities, unless directed otherwise by the President, the stocks will be sold immediately. If the stock is held per the direction of the President, the school willingly assumes all risks concerning potential benefit or loss due to changing stock values as the stock is retained rather than sold.
- The gift will be evaluated on the basis of the average market value of the stocks on the date of transfer.
- Any loss or gain in the value of the stock, resulting from the timing of the sale, will not be added or subtracted from the gift evaluation.
- It is understood that the donor, in transferring ownership of the stock, is making a charitable contribution and, as such, has no rights concerning the disposition, sale, or retention of any stocks given to CCHS.

IV. Authorizations

The Advancement Committee of the Board will make recommendations to the President and Advancement Director regarding acceptance of specific gifts and the interpretation of these gift policies. Once accepted, the Advancement Director is responsible for assuring the implementation of any donor directives. If the Committee cannot resolve a procedural or policy issue regarding a gift, the decision will be referred to the Executive Committee for recommendation to the Board.

Anyone can bring a problematic gift to this committee. Examples of problematic gifts related to the gift's purpose are:

- Offers to provide start-up funding or endow courses, programs, or initiatives that are not academic or extracurricular priorities;
- Offers to build or change facilities in ways that are not academic, extracurricular or administrative priorities; or
- Gifts with unacceptable restrictions. A proposed endowed scholarship could be restricted to individuals meeting an unusual set of criteria, for example, making it unlikely to be awarded on a regular basis or inconsistent with the School's financial aid policies.

Proffered gifts may also be problematic due to the nature of the asset or how it can be used. Some examples may be:

- Gifts of unmarketable securities;
- Tangible personal property with restrictions on its use;
- Gifts given with "matching" requirements; or
- Desire to begin a program or a construction project with insufficient funds to complete it.

Factors which the Committee should consider include (but are not limited to):

- The charitable intent of the donor, and ultimate benefit to the School
- The nature of any restrictions
- The permanency of the gift
- The administrative costs of managing the gift asset
- Potential for actual or perceived conflict of interest
- Consistency with the mission, vision, bylaws, and policies of the School.

V. Restricted Funds Gift Policies

Fund purposes: The Board has established (or will establish) at least three general funds within to which any donor can contribute: for General Purposes (unrestricted), Faculty Support, and Financial Aid.

Donors may establish special designated funds (ones with more specific restrictions or named for someone) either within the funds mentioned above or for other purposes, by signing an agreement with the School to donate and/or raise at least \$10,000 within five years of establishing the fund. No distributions will be made from any fund within the designated fund until at least one year after it has received the minimum amount required.

Historical Documentation: All donor-designated fund gifts will be documented by a signed written agreement that clearly states the name of the fund, the purpose and intent for use of the earnings, and any other conditions. This agreement may be changed or amended by mutual agreement of the donor and the School at any time. It should be drafted broadly enough to anticipate future conditions, and provide for alternative uses if the original purpose can no longer be pursued and the donors is no longer living.

All designated funds will be managed and payout rates will be set in accordance with the School's Long-Term Investment Policies.

VI. Gift Purposes and Documentation

Written documentation of gifts and pledges: All gifts require written documentation before being recorded in the donor database. For outright gifts or multi-year pledges, documentation usually will consist of a signed and dated form.

Alternative forms of documentation: In lieu of a standard gift or pledge form, gifts to the School may be recorded relying on an alternative form of documentation. Examples of acceptable alternative forms of documentation include, but are not limited to, the following:

- Deeds or other legal forms of conveyance or assignment;
- Insurance policies with express provisions for conveyance or assignment;
- Completed wills, excerpts there from, a written statement, or executed bequests demonstrating a clear and unambiguous intention;
- Irrevocable trust agreements in which Central Catholic High School is named as beneficiary.

Restrictions on gifts: The School accepts all gifts that fit its mission and purposes. If a donor wishes to make a restricted gift (especially for a designated fund) for a program that is not among the School's priorities, or the restrictions will place an undue burden on the staff for managing the funds or the program, it must be reviewed by the Advancement Committee. If that committee deems it ultimately desirable to accept the gift, the gift agreement must include language giving the School reasonable flexibility to redirect the funds to a related purpose should circumstances change that make the program no longer practical or desirable.

Gift Counting

- Only those gifts and written pledges actually received and/or committed during a specified campaign period (annual, capital, endowment, etc.) will be counted in the campaign results.
- The value of any canceled, withdrawn, or unfulfilled pledge will be subtracted from the relevant campaign when it is determined that the commitment will not be realized.

Gift Recording

- IRS Compliance: All gifts, pledges, bequests and other charitable distributions to Central Catholic High School will be recorded and acknowledged in compliance with Internal Revenue Service regulations and acceptable gift accounting practices.

Gift Recognition and Acknowledgment

- Acknowledgments: All donors to Central Catholic High School will be properly acknowledged and thanked for their generosity, with receipts that include the amount and purpose of the gift.
- Anonymity: A donor's request that his or her gifts be anonymous will be honored.
- Donor stewardship and recognition: The School's stewardship and recognition practices will be developed and reviewed periodically, and adjusted as necessary, by the Advancement Committee of the Board of Directors.
- Provisions for Recognition

A. Summary

Provisions will be made to recognize all donors to CCHS regardless of the size of their gift, while recognizing the wishes of those who choose to remain anonymous donors

B. Forms of Recognition

CCHS will utilize the following three forms of donor recognition: (1) named gift opportunities, (2) donor recognition levels, and (3) publications.

C. Named Gift Opportunities

Named gift opportunities are the designation of particular facilities, parts of facilities, green spaces, or scholarships in recognition of a specified and agreed upon level of financial support. The minimal level for a named gift opportunity will be determined according to particular campaign directives.

D. Donor Recognition Levels (TO BE DETERMINED)

E. Publications

Periodically, the names of members of donor recognition levels or reserved named gift opportunities will be published in school publications, newsletters, and updates. Again, the purposes of these publications will be twofold: (1) to show appreciation for pledges made and to encourage others to make significant and stretching philanthropic commitments to CCHS and (2) to show appreciation for commitments made.

F. Pledge Payment and Recognition

All forms of permanent recognition will be based upon pledges paid. Conversely, those donors with unpaid pledges will not be given permanent recognition until such pledges are fulfilled.

G. Highest Level of Recognition

Donors who contribute at levels to designate a named gift opportunity will be acknowledged using all three donor recognition techniques. These benefactors will be honored with the designated gift. They will be included at the highest of the donor recognition levels and, thus, will be listed on the permanent plaque and in publications.

Exceptions

The Board of Trustees is empowered to grant any exception to these general policies in order to encourage significant gifts or improve benefactor relationships.

VII. Changes to these Policies

The terms, conditions, procedures and protocols for soliciting, accepting, receiving, and recognizing gifts to Central Catholic High School, as set forth herein, are the official policy of the Board of Directors of the School. Amendments to these policies must be approved by the Board of Directors.

Approved on the 16th day of September, 2006.

Secretary: original signed by A. Troilo, Board Secretary

VIII. APPENDIX A

Definitions of Terms

Acknowledgment letter: a written expression of gratitude for a contribution sent by the School to the donor that complies with IRS requirements for the type of gift received.

Annual Fund: the organized effort by the School to obtain unrestricted gifts on a yearly basis to support current programs.

Annual giving program: all gifts, whether restricted or unrestricted, for current programs.

Bequest expectancy: a gift promised through a will.

Bequest realization: a gift received through a will, following the donor's death.

Board-Designated Fund (also called "Quasi-endowment" or "Funds functioning as endowment"): A fund set aside by the Board (either restricted or unrestricted as to purpose) for which the principal is invested, and only the earnings (or a portion thereof) are expended annually. Future boards can remove this restriction on a fund if they determine that circumstances make it no longer prudent.

Budget Augmentation: current operating funds (whether gifts or grants) received for purposes outside a given fiscal year's board-authorized operating budget.

Budget Relief: gifts for current operations or specific line items in a given year's board-approved operating budget.

CASE: Council for the Advancement and Support of Education, a national organization that creates and periodically updates gift reporting standards for educational institutions.

Case for support: a written statement of the reasons why an organization merits contributed support, including its mission, vision, resources, number and type of clients served, potential for greater services, and future plans.

Gift: A voluntary, irrevocable transfer of cash or other assets to Central Catholic High School for which no goods or services are received in return. Types of gifts include:

- **Unrestricted Gift:** One in which no restrictions are imposed by the donor on its use.
- **Restricted Gift:** One in which the donor imposes restrictions (e.g., on its use, or how it is expended). Undue or burdensome restrictions may require that the School decline a restricted gift.
- **Major Gift:** A single gift or pledge of \$10,000 or more from any source.
- **Matching Gift:** A gift (usually from a donor's employer, though occasionally from a donors' trust) which is stimulated by an individual's own gift to the school. If the matching entity concurs, the matching gift will follow the donor's intention with the original gift. At Central Catholic High School, matches will be counted toward gift society memberships if received within the same fiscal year.

- **Planned Gift**: A commitment established during a donor's lifetime, but whose principal benefits usually don't accrue to Central Catholic High School until some future time. Such gifts may provide additional tax and current-income benefits to the donor during his or her lifetime. Charitable gift annuities, gifts of insurance, trusts, and other commitments through estate plans are typically referred to as planned gifts.
- **In-kind gift**: a non-cash gift of tangible property. Examples might include equipment, art, books, or collectibles.

Grant: A sum of money from a foundation, corporation, or government agency. Usually a grant is for a specific purpose, for a defined period of time, and delineated by a formal agreement between the School and the donor. Grants usually are subject to reporting requirements by the grantor.

Pledge: A signed and dated commitment to make a gift over a specified period, payable according to terms set up by the donor and accepted by the School.

IX. APPENDIX B

Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgment and recognition.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY

American Association of Fund Raising Counsel (AAFRC)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Association of Fundraising Professionals (AFP)

ENDORSED BY

Independent Sector
National Catholic Development Conference (NCDC)
National Committee on Planned Giving (NCPG)
Council for Resource Development (CRD)
United Way of America

X. Addendum #1: Library Donation Policy

The Librarian welcomes your donations of materials and money for the Central Catholic Library. Gifts will be accepted by the Library within the following guidelines:

Materials obtained as gifts must meet the same standards as other materials purchased for the Library collection.

Donors may give money or request books as memorials, birthdays or to celebrate other special occasions. A special book plate will be placed in the book to acknowledge the donation.

Donations become the property of Central Catholic High School. Materials will be added to the collection if suitable or redirected to other facilities at the discretion of the Librarian. Since the Library is actively used, and sustains losses through wear, damage and failure to return items, no guarantee can be made that any gift will be a permanent part of the collection.

A receipt in the form of a letter acknowledging the donation will be sent to the donor. The donor may use this letter for tax purposes. In accordance with tax regulations, no dollar value will be stated in the letter.

(added September 2007)