



Neuhaus Education Center

Gift Acceptance, Counting, and Recognition Policies

W Oscar Neuhaus Memorial Foundation, doing business as Neuhaus Education Center (EIN 74-2128239), a Texas non-profit corporation, encourages the solicitation and acceptance of gifts for purposes that will help Neuhaus Education Center to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts offered to Neuhaus Education Center for the benefit of any of its programs.

Introduction

For the purposes of clarity, uniformity, and transparency, Neuhaus Education Center will employ the following definitions of terms used in these policies:

- **Counting and Reporting:** Counting and reporting are arithmetic activities. Counting is the numeric summary of activity, results, and progress toward goals. Reporting is the process of conveying to a lay audience clearly and transparently what has happened during a specific timeframe.
- **Valuation:** Valuation is an assessment of the actual value of an item to the person or organization that possesses it. Value may be determined by any number of methods and may reflect net present value, the future purchasing value, a subjective value based on non-financial considerations, or a reflection of the present value of the ultimate purchasing power of the gift.
- **Crediting:** Crediting is institution-specific and represents the way each organization grants recognition to its donors.

Distinction Among Counting, Valuing and Crediting

Confusion of the terms and processes related to “counting,” “valuing,” and “crediting” is very common. In general:

1. **Counting provides a way in which all charities can record what they do**, so that they can report their activity and results clearly to the public, compare results, and measure against clearly articulated and unambiguous goals.
2. **Counting provides a way to measure the intent of the donor**, since most donors focus on the dollar amount of their commitment at the time they decide to make it, and not on the net value to the charity in an ultimate sense. All gifts, revocable and irrevocable, current and deferred, should therefore be counted.
3. **Counting complements valuation**, which is an institution-specific calculation and measures the value to that organization of the total gift transaction over time.
4. **Counting commitments and reporting them are external processes**, intended for public information and comparison among organizations, while **valuation is an internal process**, based on the factors peculiar to each organization’s investment and financial experience.
5. Likewise, **crediting a particular donor’s gift is an internal process** dependent on each organization’s history, mission, and policies.

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SECTION I: STANDARDS AND EXPECTATIONS

I. A. Purpose

(1) Mission of Neuhaus Education Center

Neuhaus Education Center's mission is to promote reading success for all by providing evidence-based professional learning to educators, information and resources to parents, and direct services to adult learners.

(2) Purpose of Policies

These Policies are intended to guide the Board of Directors (“the Board”) and staff in accepting, counting, and recognizing gifts to Neuhaus Education Center. These Gift Policies will also ensure accountability in these efforts. The provisions of these policies shall apply to all gifts received by Neuhaus Education Center for any of its programs or fundraising efforts. Specifically with respect to planned giving, the Policies are designed to ensure that, to the extent possible:

- Neuhaus Education Center enters only into arrangements that are fiscally prudent.
- Neuhaus Education Center enters into arrangements that both fulfill the donor’s intent and are consistent with Neuhaus Education Center’s mission.
- The donor’s interest in making a charitable gift is served appropriately by the planned gift arrangement.

I. B. Legal Counsel and Financial Advisors

Prospective donors shall be advised to consult with their own legal counsel and/or tax advisor regarding the tax implications, financial consequences, and estate planning aspects of all proposed gifts to Neuhaus Education Center. No one acting on behalf of Neuhaus Education Center, including the Board, staff, volunteers, or advisors retained by Neuhaus Education Center, can represent the donor in making a gift to Neuhaus Education Center.

Neuhaus Education Center will seek legal, financial, tax and other professional advice as necessary and appropriate, and in particular, when a proposed gift is structured in a way that varies from these policies.

I. C. Responsibility of Neuhaus Education Center to Donor

Neuhaus Education Center, through its Board and staff, will endeavor to ensure that all donors are treated with the utmost respect, consideration, and care and that all donors' interests are recognized and considered in the negotiation of any gift. The mutual interests of the donor and those of Neuhaus Education Center will be a guiding principle. No program, agreement, trust, contract, or commitment shall be urged upon any donor or prospective donor which will benefit Neuhaus Education Center at the expense of the donor's welfare. No agreement shall be made between Neuhaus Education Center and any agency, person, company or organization on any matter related to investment, management or otherwise which would knowingly jeopardize the donor's interest.

The Board, all staff, and volunteers who have contact with donors are expected to demonstrate the highest possible standards of ethical behavior and shall adhere to the Donor Bill of Rights, Association of Fundraising Professionals' Code of Ethical Principles and Standards, and the National Committee on Planned Giving's Model Standards of Practice for the Charitable Gift Planner. In particular, no member of the Neuhaus Education Center staff shall be paid any commissions based on a dollar amount raised or a number of gifts closed but shall be paid a salary or fixed wage.

I. D. Confidentiality

Neuhaus Education Center will maintain the level of confidentiality requested by the donor, but in the absence of a request to the contrary by a donor, Neuhaus Education Center may use selected information about a gift for purposes of recognition, referral, testimonial, or example. All gift agreements, such as annuity agreements, trust documents, wills, etc., shall be marked "Neuhaus Education Center - Proprietary and Confidential" and shall be kept confidential by the Neuhaus Education Center staff and Board.

I. E. Conflict of Interest

Neuhaus Education Center staff shall not serve as executor of any estate, or successor trustee of any trust, in which Neuhaus Education Center has a beneficial interest; provided, however, that such a person may always act as a fiduciary for a relative or in-

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law. If a proposed gift or transaction has the potential to create or form the basis of a conflict of interest, Neuhaus Education Center will seek appropriate legal advice.

I. F. Adherence to Laws

Neuhaus Education Center will not accept any gift or enter into any transaction that violates Internal Revenue Code requirements or any other federal, state or local laws. Neuhaus Education Center will not accept any gift which would improperly inure to the benefit of any individual or in any manner would jeopardize the organization's tax-exempt status.

I. G. Neuhaus Education Center Right to Decline or Dispose of Any Gift

Neuhaus Education Center retains the right to disclaim or refuse any gift for any reason, including, but not limited to:

- The gift is inconsistent with the Neuhaus Education Center stated purposes/and or mission.
- The gift would compromise Neuhaus Education Center in any manner.
- The gift poses unacceptable risks of liability.
- The gift is too restrictive in purpose or is too difficult to administer.

In addition, Neuhaus Education Center retains the right to liquidate or dispose of any gift. To the extent possible, Neuhaus Education Center will use the proceeds for the purpose intended by the donor. If in the opinion of the Board circumstances change so that the purpose for which the gift is given becomes illegal, impractical, or no longer able to be carried out to meet the needs of Neuhaus Education Center, the Board may designate an alternative use for the gift to further the Neuhaus Education Center stated purposes and mission. In selecting an alternate use, the Board will consider the donor's special interest as evidenced by the original purpose of the gift.

I. H. Review and Acceptance of Gifts

The Gift Review Committee will consist of the

- President and CEO of Neuhaus Education Center;
- Chairman of the Board;
- Treasurer of the Board;
- Vice President of Advancement;
- Advancement Committee Chair(s); and

- Other Neuhaus Education Center staff, as necessary.

When necessary and appropriate, the Gift Review Committee will consult with legal counsel and/or other outside advisors.

The Gift Review Committee will review every prospective gift to Neuhaus Education Center, other than cash or marketable securities. The Gift Review Committee will evaluate the appropriateness of Neuhaus Education Center accepting the proposed gift, always using as the primary determining factor the best interests of Neuhaus Education Center. In reviewing proposed gifts, the Gift Review Committee will determine the appropriate disposition of the gift based upon the needs of Neuhaus Education Center and its ability to receive, manage, or administer the gift effectively. The Gift Review Committee will then make a recommendation to the board for final approval of gifts (other than cash or marketable securities).

I. I. Authorized Signatures

On behalf of the Board, the following Neuhaus Education Center representatives may sign any gift agreement that has been approved by the Board or by a committee of the Board to which the approval authority has been properly delegated. It is understood that any single signature by any one of these authorized representatives fully commits Neuhaus Education Center, its assets and integrity to the conditions of the agreements signed. The authorized representatives are:

- Vice President of Advancement;
- Chairman of the Board; and
- Neuhaus Education Center President and CEO.

SECTION II: GIFT ACCEPTANCE POLICIES

II. A. Charitable Tax Deduction for Gift

Neuhaus Education Center is a tax-exempt charitable organization [501 (c)(3)], and gifts to Neuhaus Education Center are generally tax-deductible (Federal Tax ID number 74-2128239). The value of a deduction associated with a particular gift can only be determined by the donor, after consultation with his or her advisor(s) and review of relevant Internal Revenue Service regulations.

II. B. Gift Agreements

At the discretion of the Gift Review Committee, specific gifts will be evidenced by a written gift agreement signed by the donor(s) and an authorized signatory representing Neuhaus Education Center.

II. C. Outright Gifts of Cash

Unrestricted gifts of cash in any amount will be accepted. Checks shall be made payable to Neuhaus Education Center.

II. D. Securities

(1) Publicly Traded Securities

Stocks, bonds, notes or other securities for which value can be determined in the financial market place may be transferred to Neuhaus Education Center. Donors are encouraged to consult with their own advisors to determine the most advantageous method of giving securities. Internal Revenue Service guidelines are followed in establishing the date and value of the donated securities. Neuhaus Education Center will sell donated securities by the end of the first full working day following receipt of the gift. The timing of the sale will not impact the donor recognition value.

(2) Closely Held Securities

Securities for which a value cannot be easily determined in the financial marketplace, such as privately or closely-held stocks or stocks on which a restriction on transfer is placed, may be accepted on a case-by-case basis after review by the Gift Review Committee. Neuhaus Education Center will try to determine an estimate of fair market value and any restrictions on transfer. The donor should consult with his or her own advisor(s) for guidance regarding valuation of the gift for tax deduction purposes. Prior to acceptance, Neuhaus Education Center will explore methods of liquidation for the securities through redemption or sale. Every effort will be made to sell the non-marketable securities as quickly as possible.

The Gift Review Committee will evaluate prospective gifts of securities that are privately or closely held or for some other reason are not immediately marketable. The Committee, in evaluating such gifts, will consider factors including but not limited to:

- Whether there are restrictions on transfer of the securities;

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- Whether a full or partial ownership of the securities is being offered;
- Whether any liability could attach to Neuhaus Education Center as a result of holding such securities until they are marketable; and
- Whether they are convertible within a five-year timeframe.

II. E. Real Property

All gifts of real estate will be reviewed on a case-by-case basis and must be approved by the Gift Review Committee. The Gift Review Committee will retain necessary real estate and/or environmental counsel and/or consultants to provide appropriate expertise for this review. To protect the donor's charitable contribution deduction and to limit any liability to Neuhaus Education Center, it is the donor's responsibility to obtain and pay for appraisals, title histories, environmental assessments, etc. for gifts of real property.

The Gift Review Committee will evaluate a proposed gift of real property, considering factors including, but not limited to:

- Is the property useful for the purposes of Neuhaus Education Center?
- Is the property marketable?
- Is the property mortgaged or otherwise encumbered with insurance, property taxes or other limitations? If so, what are the prospects for removing such encumbrances?
- Is the title to the property clear?
- Are there any potentially adverse environmental conditions on the property?

A deed of gift and all necessary legal documents will be prepared and executed to complete a gift of real property. These documents will be prepared by the donor and reviewed by the Gift Review Committee and legal counsel when appropriate. For property gifts to be recognized, complete transfer of ownership must have occurred. Property encumbered by a mortgage or other indebtedness will not be accepted as a gift.

Because all property gifts received will be converted to cash at the earliest opportunity, generally property gifts will not be accepted by Neuhaus Education Center where conversion to cash is not likely to occur prior to five years.

II. F. Gifts of Service

Gifts of service are contributions of actual, billable service directly related to the business or profession of the provider that offset existing budget items. Evidence of a

gift of service will be a voided or canceled invoice stating the date, type of service rendered, quantity cost, total cost, and amount to be contributed or forgiven.

II. G. Personal Property

Gifts of personal property, such as art collections, antiques, etc., may be accepted following review by the Gift Review Committee in light of the following criteria:

- Does the property fulfill the mission of Neuhaus Education Center?
- Is the item marketable?
- Are there restrictions of the use, display, or sale of the property?
- Are there carrying costs for the property?

Donors of property gifts must seek their own legal and tax counsel in regard to all property gifts. Neuhaus Education Center reserves the right to refuse gifts of property when it is determined that the donor has not complied with IRS appraisal requirements or that the advice of the independent counsel is not being obtained. Donors of property gifts will receive an acknowledgment of the gift only when complete transfer has occurred. The acknowledgment will not include any reference to the value of the gift. A gift document will be executed by the donor for each gift of tangible personal property with an appraised value of over \$5,000 accepted by Neuhaus Education Center.

II. H. Wills or Living Trusts

Neuhaus Education Center will encourage gifts through wills or revocable living trusts. If the will or living trust involves securities, real property, or personal property, the appropriate policies for such gifts will be followed.

Neuhaus Education Center will recommend language as requested to a prospective donor and/or his or her advisor(s) for including “W Oscar Neuhaus Memorial Foundation” in a will or living trust or other estate planning document.

Generally, Neuhaus Education Center will request that estate administrators, including trust officers, executors, etc. liquidate in-kind gifts and gifts of real property and forward cash to Neuhaus Education Center to satisfy a bequest. However, Neuhaus Education Center reserves the right to examine any and all in-kind gifts and gifts of real property on an item-by-item basis.

II. I. Retirement Plans

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Neuhaus Education Center can be named as beneficiary of any type of qualified retirement plan asset. The proper name for use in beneficiary designation forms is “W Oscar Neuhaus Memorial Foundation”, a Texas non-profit corporation. The donor shall be advised to consult with his/her advisor(s) regarding the tax implications, financial consequences, and estate planning aspects of such gifts. Neuhaus Education Center will make an evaluation as to whether any excise taxes will be due from Neuhaus Education Center and make an assessment as to any impact on the value of the gift.

II. J. Life Insurance

Neuhaus Education Center will accept gifts of life insurance, including those where it is only a partial beneficiary. Neuhaus Education Center will accept gifts of life insurance contracts in the following forms. The proper name for use in policy applications or transfer forms, whether as owner or beneficiary, is W Oscar Neuhaus Memorial Foundation.

- New policies: Neuhaus Education Center can be named owner and irrevocable beneficiary or as beneficiary only. Premium payments are the responsibility of the donor(s). If the premiums are not paid, Neuhaus Education Center will evaluate the best decision to make regarding the asset.
- Existing policies: Neuhaus Education Center may be named owner and irrevocable beneficiary or as beneficiary only. Premium payments are the responsibility of the donor(s). If the premiums are not paid, Neuhaus Education Center will evaluate the best decision to make regarding the asset. The policy should be unencumbered.
- Paid-up policies: Neuhaus Education Center will accept gifts of ownership of paid-up policies and may cash in such policies.

II. K. Life Estate Gifts

Neuhaus Education Center will review offers from donors who wish to make a remainder interest gift of their home or farm while retaining the right to live in their homes for their lifetimes. As with any gift, Neuhaus Education Center has the right to determine the disposition of a home or farm at the end of the lifetime interests. Real estate guidelines will apply.

II. L. Charitable Remainder Trusts

Neuhaus Education Center will welcome assignment as a beneficiary of a charitable remainder trust, but will not serve as trustee.

II. M. Charitable Lead Trusts

Neuhaus Education Center will welcome designation as a charitable beneficiary of an income stream from a charitable lead trust, but it will not serve as trustee of any type of charitable lead trust.

II. N. Charitable Gift Annuities

Currently, Neuhaus Education Center does not offer gift annuities. As the assets and infrastructure of Neuhaus Education Center grow, the question of whether gift annuities can be offered and managed in a way that is beneficial to both the donor and to Neuhaus Education Center will be reevaluated.

II. O. Miscellaneous Provisions

(1) Appraisal Requirements

Appraisals must be provided by a qualified independent appraiser. The appraiser cannot be associated with Neuhaus Education Center, any of its employees, or the donor. When the gift is to qualify for a specific recognition opportunity, donors agree to make up any short fall upon conversion to cash. All costs associated with obtaining a qualified appraisal will be borne by the donor. An independent, qualified appraiser paid by the donor shall determine the fair market value of the property.

(2) IRS Form 8282

The Gift Review Committee of Neuhaus Education Center is responsible for filing IRS 8282 upon the sale or disposition of any asset sold within two years of receipt with the value of the item is more than \$5,000.

(3) Partnerships

Gifts of interests in partnerships, family limited partnerships, limited liability corporations or other businesses will be evaluated on a case-by-case basis by the Gift Review Committee.

(4) Gift Acknowledgement

Acknowledgement of all gifts made to Neuhaus Education Center and compliance with current IRS requirements is the responsibility of the Board of Neuhaus Education Center.

II. P. Exceptions

The Gift Review Committee may recommend to the Board exceptions to these policies when appropriate. Upon a majority vote of the board, any clause in the above section may be adjusted.

SECTION III: GIFT COUNTING POLICES

III. A. Fundraising Counting Periods

All campaign periods, including annual fundraising, will be documented with a formal start and end date and shall not exceed seven years.

III. B. Reporting

(1) Principles

These reporting standards are based on recommendations from the National Society of Planned Giving and are based on the following principles:

- Focuses on counting and reporting, not accounting, valuation, or crediting.
- Recognizes that the IRS charitable deduction calculations were not created for the purpose of counting planned gifts and, while valid for tax purposes, do not offer a way of counting planned gifts that recognizes the total campaign and development effort.
- Encourages transparency through accuracy, completeness, and clarity
 - Accuracy: Reports will not attempt to mix gifts that are intrinsically difficult to combine into a single, accurately reportable number.
 - Completeness: Reports all commitment made, not just cash in hand.
 - Clarity: Speaks the same language that donors use when they make their gifts.

(2) Categories

All gifts will be reported in two categories:

- a. Outright Gifts - gifts that are usable or will become usable for institutional purposes during the reporting period (whether one or more years.)
- b. Deferred Gifts - gifts committed during the reporting period but usable by the organization at some point after the end of the period, revocable or irrevocable.

III. C. Outright Gifts

(1) Cash

In cases where gifts are made in cash, the valuation is the amount of the cash.

(2) Publicly Traded Securities

Gifts of securities will be valued at the average market value of the specific security on the date the full interest in the transferred property is received either electronically or physically.

(3) Privately Held Securities

Gifts of closely held stock will be valued based on a qualified independent appraisal at the time of transfer.

(4) Real Property

Gifts of real property will be reported based on the appraised value as determined by a qualified independent appraiser within 60 days of the date of transfer.

(5) Service

Gifts of service are contributions of actual, billable service directly related to the business or profession of the provider. Gifts of services will be counted at the level of actual expenses invoiced but not to be paid. Evidence of a gift of service will be a voided or canceled invoice stating the date, type of service rendered, quantity cost, total cost, and amount to be contributed or forgiven.

(6) Personal Property and Gifts-In-Kind

- If Neuhaus Education Center uses a donated asset (for example a computer system), the donor is entitled to a charitable deduction equal to the fair market value of the asset as assessed by an independent appraisal.
- If Neuhaus Education Center does not use the donated asset, the charitable deduction is set at the donor's cost basis in the property.
- Outright gifts of tangible personal property, for which donors qualify for a charitable gift deduction under current IRS guidelines, will be counted at the appraised value of the property at the time it is transferred to Neuhaus Education Center.
- Gifts-in-kind of an undetermined value will be recorded at one dollar (\$1.00) and acknowledged as received with no value stated.
- Donors of property gifts will receive an acknowledgment of the gift only when complete transfer has occurred. The acknowledgment will not include any reference to the value of the gift.

III. D. Deferred Gifts

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(1) Life Insurance

Gifts of life insurance will be counted based on the surrender value as of the date of the transfer.

(2) Life Estate Gifts

A gift of a remainder interest in a personal residence or farm should be counted at the face value.

(3) Charitable Remainder Trusts

Gifts made to establish charitable remainder trusts should be credited to campaign totals at face value. When additions are made to gifts that have been counted in previous campaign(s), the additions can be counted in the current campaign.

(4) Charitable Lead Trusts

Charitable lead trusts are gifts in trust that pay an income to Neuhaus Education Center over a period of time. These payments should be counted as outright gifts for amounts received during the campaign period. The remainder of the income stream to be received by Neuhaus Education Center should be counted in deferred gifts.

(5) Wills or Living Trusts

- All new bequests received during a campaign should be counted in the deferred gifts category.
- All bequests realized during the defined duration of a campaign should be counted at full value in campaign totals, insofar as the amount received exceeds commitments counted in a previous campaign.
- If a revocable testamentary commitment made during the current campaign matures during the same campaign period, it should be removed from Deferred Gifts and included as an Outright Gift.

(6) Retirement Plans

- Neuhaus Education Center may be named as the beneficiary of retirement plan assets. A testamentary pledge of retirement plan assets shall be included in campaign totals as a deferred gift if the following requirements have been satisfied:
 - There must be a means to establish a credible estimate of the value of the retirement plan account at the time the commitment is made.
 - Have verification of the commitment in the form of a letter from the donor or the donor's advisor affirming the commitment.
- The campaign will investigate carefully the actual circumstances underlying the plan and be conservative in counting such commitments toward campaign totals. If any circumstance should make it unlikely that the amount pledged will actually be realized by Neuhaus Education Center, then the commitment should be further adjusted according to specific circumstances, or not reported at all.

(7) Revocable Gifts

It is difficult to put specific numbers on certain revocable commitments whose ultimate maturation value is uncertain. The numbers reported for these gifts may at best be estimates and should reflect both conservative and realistic understanding of each donor's circumstances. Commitments counted nominally (for example, at \$1, because Neuhaus Education Center had no information about the value) can be counted at full value in Outright Gifts if they mature.

SECTION IV. DONOR RECOGNITION

IV. A. Announcement of Gifts

It is Neuhaus Education Center policy that gifts will not be publicly announced or recognized until Neuhaus Education Center has received either the gift or documentation of the pledge. When a pledge is made that a gift will be delivered over time, the pledge will not be publicly announced or recognized until Neuhaus Education Center has received documentation of the pledge.

IV. B. Anonymity

Benefactors will be given the opportunity to choose anonymity, and this anonymity will be reflected in all published lists and other forms of donor recognition. The following will be those individuals who, for reasons of stewardship, will be informed of the amount of all pledges, including those who request anonymity:

- CEO
- Chair, Board of Directors
- Vice President of Advancement
- Treasurer, Board of Directors
- Chief Financial Officer

Donors who elect anonymity should be made aware of the select individuals who will be informed of their pledge before news of the gift is communicated.

IV. C. Gift Valuation for Recognition Purposes

(1) Outright Gifts

Donors of outright gifts will be offered donor recognition credit at the level of gift reporting in Section III above.

(2) Deferred Gifts

Donors of deferred gifts will be offered donor recognition credit at the level of gift reporting in Section III above when the gift is irrevocable. Revocable gifts will be offered membership in the legacy society until the gift is realized. When realized, the donor will additionally be recognized for the full transfer value of the gift.

IV. D. Forms of Recognition

(1) Annual Giving

The names of annual donors of \$250 and above will be published in Neuhaus Education Center publications.

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(2) Special Events

The names of donors to special events will be published in Neuhaus Education Center event-specific and general publications. Thresholds for public recognition will be specified in event solicitation materials.

(3) Legacy Gifts

The names of donors who provide Neuhaus Education Center with information about their intentions to make Neuhaus Education Center a beneficiary of their estate or deferred revocable gifts will be recognized through the Legacy of Literacy Society, including a listing in the annual report and other Neuhaus Education Center publications.

(4) Capital or Endowment Campaigns

Neuhaus Education Center will utilize the following three forms of donor recognition for capital or endowment campaigns:

- **Donor Recognition Opportunities:** Physical or programmatic donor recognition opportunities will be offered in recognition of a specified and agreed upon level of financial support. The minimal level for a named gift opportunity will be \$25,000.
- **Donor Recognition Levels:** Donor recognition levels are groupings of donors designated by Neuhaus Education Center according to ranges of levels of giving. All donors will be recognized on a permanent donor display for campaigns.
- **Publications:** Periodically, the names of donors will be published in Neuhaus Education Center publications, newsletters, and updates. The purpose of these publications is to show appreciation for gifts made and to encourage others to make significant and stretching philanthropic commitments to Neuhaus Education Center.

(5) Endowment

The minimum level for an endowed fund will be \$25,000. The names of donors to the endowment program will be published in Neuhaus Education Center publications, newsletters, and other communications.

(6) Other Gift Types

Gifts for other purposes may receive recognition at the discretion of the Gift Review Committee.

IV. E. Pledge Payment and Recognition

All forms of permanent (physical) recognition will be contingent on 51% of pledges paid. Conversely, those donors with unpaid pledges or less than 51% paid will not be given permanent recognition.

IV. F. Life of a Named Gift Opportunity

Donor recognition opportunities that are part of a physical facility may not be transferable to a new facility. However, in the event of a new facility or renovation, Neuhaus Education Center will offer appropriate recognition to these donor in other forms.

IV. G. Removal of Named Gift Opportunities

(1) Corporate Gifts

In the event of a corporate merger or name change, the donor may provide the funds to change the named gift recognition to reflect the new company name. Companies who go out of business will have the company name removed from the space.

(2) “Escape Clauses”

When individuals, corporations, or their senior officers, or other organizations being recognized through named spaces, programs, endowments, etc. are later found to have violated expected ethical behavior or broken laws and their actions result in an unfavorable connection for Neuhaus Education Center, the board reserves the right to remove such a name from the facility without reimbursing the donor for their gift.

IV. H. Matching Gifts

(1) Designation Of Matching Gift

Unless otherwise directed by the donor, corporation, or foundation, income from matching gifts will be designated for the same restricted purpose as the original gift of the individual donor.

(2) Donor Recognition

The corporate or foundation matching gift donor will receive credit and appropriate gift recognition and will be categorized in the appropriate donor recognition level. Additionally, for purposes of donor recognition, the matching gift will also be added to value of the original “matched” donor’s gift for recognition purposes.

IV. I. Memorials or Tributes

- (1) A gift of any size or for any purpose may be made in someone's memory or honor.
- (2) All memorial and tribute gifts must include the following 1) the name of the person the donor wishes to honor; 2) contact information for the person who should be informed that the gift was made and 3) donor name, address, phone number and gift amount.
- (3) The Office of Advancement will send the donor a receipt to acknowledge the gift and send a letter to the family to inform them of the donor's gift. The honoree or family will be notified only that a gift has been made, but the amount of the gift will remain confidential.

IV. J. Exceptions

The Gift Review Committee may recommend to the Board exceptions to these policies when appropriate for purposes of donor relations. Upon a majority vote of the Board, any clause in the above section may be adjusted.

Definitions

American Council on Gift Annuities (ACGA) – The national organization that recommends charitable gift annuity payout rates. These rates are revised every three years and are followed by most non-profits.

Charitable Gift Annuity – A popular planned gift through which a donor makes a gift to a charity and in return receives an income for life and, if desired, for another beneficiary's life. Upon the death of the last beneficiary, the non-profit receives the remainder of the original gift. (The gift is larger than the annuity promised to the donor.) This is a type of life income gift. The charitable gift annuity is a contract between the donor and the non-profit. The annuity is backed by the general assets of the non-profit.

Charitable Lead Trust – A type of irrevocable trust in which income is paid to the non-profit beneficiary. The lead trust may be for a term of years or for a lifetime; at its expiration, the remainder is either returned to the grantor (a grantor lead trust) or to a beneficiary named by the grantor (a non-grantor lead trust).

Charitable Remainder Trust (CRT) – A type of irrevocable trust in which income is provided to a donor or beneficiary(ies) named by the donor for a term of years or for a lifetime. Upon the termination of the trust, the remainder is transferred to the charity. There are two types of CRT: (1) **charitable remainder annuity trust**: pays the beneficiary(ies) a fixed, guaranteed dollar amount that represents at least 5% of the trust’s assets; (2) **charitable remainder unitrust**: pays the beneficiary(ies) a variable amount, that may be: (a) a fixed percentage of the trust’s assets as valued each year or (b) a percentage of the trust’s assets or the net income earned on the trust as valued each year, whichever is less.

Closely-held stocks – Securities that are not publicly traded or freely marketable. Closely-held stocks may be difficult to value and there may be significant restrictions on transfer. Most often found in family-run businesses or in private businesses with relatively few stockholders.

Deferred gifts – Gifts for which the value of the gift itself is not realized by the non-profit until some particular time or occurrence. For example, a bequest is a deferred gift, because it will not be realized by the non-profit until some future time at the donor’s death.

Endowment fund – In this context, the fund or funds raised, held maintained and managed by Neuhaus Education Center for the purpose of creating a permanent and perpetual means of support for Neuhaus Education Center.

Irrevocable trust – A trust through which a grantor transfers property irrevocably to a trustee. The assets are then outside the grantor’s ownership and control. The trust may not be amended or revoked. These trusts may be established either during the grantor’s life or through the grantor’s will in a testamentary trust.

National Committee on Planned Giving (NCPG) – A national association of professionals involved in gift planning.

Remainder – Property that passes to a beneficiary after the expiration of an intervening lifetime income interest.

Residuum, residue, or residuary estate – The portion of an estate that remains after all of the debts, expenses and specific bequests have been satisfied.

Revocable living trust – A trust established during the life of the grantor, which may be amended or revoked by the grantor. Sometimes considered a “will substitute.” Assets that

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pass under the terms of a trust will avoid probate. Because the grantor retains control over the trust, including the right to revoke and amend the trust, the grantor is taxed on any income or capital gains earned by the trust.