

**The Campaign for Library of The Chathams:
Campaign Gift Acceptance and Counting Policy**

Adopted January 23, 2018

I. INTRODUCTION

The following document will define the parameters used in counting dollars and charitable contributions made toward achieving Library of The Chathams' ("the Library") campaign goal to renovate and reorganize the library. The guidelines have been developed using industry guidelines as laid out by the Association of Fundraising Professionals.

II. CAMPAIGN PERIOD

The "campaign period" refers to the total time encompassed by the active solicitation period for the campaign, including the advance gifts phase. The Library's campaign period will be from December 1, 2017 through December 31, 2018. The Campaign Core Team may adjust the timeline as needed.

III. GIFT ACCEPTANCE

As a general rule, the Library accepts gifts and pledges provided they meet the following conditions:

- a. The gift is applicable to the Library's mission and campaign, or to the administrative implementation, management and/or oversight of programs and services that further this mission.
- b. Acceptance and implementation of the gift is consistent with the laws, regulations and policies of the State of New Jersey and the United States government.
- c. The Library Director and Board of Trustees will act on behalf of the Library to evaluate and accept or decline gifts as necessary.
- d. The Library reserves the right not to accept certain gifts, including but not limited to those which do not meet the conditions stated above. In addition, gifts from which the organization will realize little or no financial gain, which require unacceptable expenditures of additional resources, force inappropriate responsibilities upon the Library, or may expose the Library to undue adverse risk or publicity will not be accepted.
- e. The Library will pay no fees to any person in consideration of directing a gift or completing of a gift instrument to the Library and its campaign.

- f. In accepting a gift, the Library accepts a responsibility to the donor to steward that gift. This includes administering the gift properly, and, when possible, reporting to the donor or designee about the use of the funds.

IV. GIFT COUNTING AND REPORTING

All gifts and signed pledge agreements received during the campaign period will be counted toward the campaign goal. All current gifts, matching gifts, and pledges received during the campaign period will be counted at face value. Gift types include but are not limited to, cash, qualified pledges of cash, securities, real estate, personal property, stock, irrevocable life income gifts and revocable planned gifts.

Outright gifts will be reported only when the assets are transferred irrevocably to the Library. Deferred irrevocable gifts will be reported when the assets for gift funding are transferred. Revocable commitments will be reported when all appropriate paperwork is received and verified.

All net revenues from events and sales of merchandise designated to campaign projects during the campaign period will be credited toward the campaign goal.

The following is a list of exceptions and should NOT be counted toward the campaign:

- a. Payments on a pledge counted in a previous campaign
- b. Bequests already counted in a previous campaign. However, should the amount exceed the expectancy, that balance can be included.
- c. Estate distributions from a bequest made and counted during the current campaign. However, if realized prior to the end of the campaign, the intention can be removed from the anticipated deferred gift category and re-counted as outright cash.

V. PLEDGES

All pledges booked during the campaign period will be counted at full value provided the following:

- a. The pledge is documented in written form approved by the Library.
- b. The pledge form must be signed by the donor(s).
- c. The pledge is not revocable.
- d. The pledge fulfillment period is no more than 5 years. However, select exceptions can be made with approval from the Campaign Core Team and Board of Trustees.
- e. Verbal pledges will not be counted.

- f. Provided the agreement is signed before the campaign's conclusion, the pledge will be counted at full value even if the installments are due outside of the campaign period.

VI. PLANNED GIFTS

1. Bequest Intentions

Bequest intentions made during the campaign period will be counted at full-value although they cannot be counted toward the renovations to the physical plant. This also considers that:

- a. The donor has provided a signed letter of intention, form, or the equivalent authorized by the Library. The donor must provide written notice of the testamentary gift amount.
- b. The Library will strongly encourage the donor to provide appropriate pages from his or her will.
- c. If the bequest is a percentage or residual amount, the Library will require the donor to provide, in written form, a conservative estimate of the gift amount.
- d. Bequest gifts will be reported out separately under the heading of "Revocable Deferred Gifts."

2. Other Revocable Deferred Gifts

Revocable deferred gifts such as third-party trusts or retirement plans will be counted at full value provided the following:

- a. The donor has provided the Library with appropriate documentation including a statement of value.
- b. The donor has signed a letter of intention, form or the equivalent authorized by the Library.
- c. Revocable gifts will be reported out separately under the heading of "Revocable Deferred Gifts."

3. Irrevocable Life Income Gifts ("Split Interest") & Retained Life Estate Gifts

Irrevocable life income gifts (charitable remainder trusts, charitable annuity trusts, gift annuities and pooled income funds), and retained life estate gifts made during the campaign period will be counted at full-value although they cannot be counted toward the renovations to the physical plant. This also considers:

- a. Library of The Chathams is named as the remainder beneficiary.

- b. The Library has been provided with written documentation of the gift.

4. Charitable Lead Trusts

Charitable lead trusts will be counted at the amount equal to the annual income distribution for the duration of the campaign period at full-value although they cannot be counted toward the renovations to the physical plant. This also considers:

- a. Library of The Chathams is named as the beneficiary.
- b. The Library has been provided with written documentation of the gift.

5. Life Insurance Gifts

Whole (no term), paid up life insurance policies will be counted at full value although they cannot be counted toward the renovations to the physical plant. This also considers:

- a. Library of the Chathams is the owner and/or irrevocably named beneficiary of the policy.
- b. The donor has provided the Library with appropriate documentation including a statement of value.
- c. The donor has signed a letter of intention, form or equivalent authorized by the Library.
- d. Policies that are not paid up will be counted at the current cash surrender value.

VII. GIFT ACKNOWLEDGEMENT

All gifts will be recorded and acknowledged according to the standards recommended and/or required by the Internal Revenue Service (IRS). Acknowledgements furnished by the Library will include:

- a. Name of organization
- b. Amount of cash contribution or description, but not value, of non-cash contribution
- c. Statement that no goods and services were provided, or description and good faith estimate of value of goods and services provided, by the organization in return for the contribution.

The legal date of a charitable gift, as defined by IRS Publication 526, is the date the asset ceases to be in the donor's control and this determines when the gift can be reported by the donor as a deduction. The Library is not responsible for ascertaining or reporting the legal date to donors; however, the Library may choose to provide this information for donor relations purposes, especially for gifts made at the end of the calendar or fiscal year.

- a. Cash/Check via U.S. Postal Service: postmark date on the envelope used to mail the completed gift defines the date the donor relinquished control. The carrier envelope is retained by the Library for at least one calendar year for gifts of less than \$1,000 and for at least seven years for gifts of \$1,000 or more, as evidence of gift date in the event that the Library receives an inquiry from a donor.
- b. Cash/Check via commercial delivery services: the date on which the gift arrived at the Library is the date of the gift.
- c. Cash/Check delivered in person: date of delivery to the Library. It is imperative that gift correspondence is date stamped and immediately processed with an acknowledgement.
- d. Credit Card donations: the date on which authorization of payment is obtained by the Library from credit card agency.
- e. Securities: depends on method of delivery. Via U.S. Postal Service or Commercial service, see above. For electronic transfer, the date the stock is credited to the Library's account is the legal date.

VIII. GRANT INCOME

Grant income from private, non-governmental sources (such as corporations and private foundations) will be counted at full value. Grants from government agencies or federal appropriations will not be counted.

IX. NAMED GIFTS (INCLUDING MEMORIAL GIFTS)

The Library welcomes gifts that memorialize or honor both deceased and living individuals. All named gifts may be subject to approval of the Board of Trustees.

The amount of the contribution required to name a space or part of a space may vary with the cost and the impact of the structure upon the Library.

X. CONCLUSION

The Library Board of Trustees reserves the right to revise this policy. Gifts not specifically mentioned in this document are eligible for acceptance on a case-by-case basis, at the approval of the Library Director and Board of Trustees.