

**Forest Theater Guild
Gift Acceptance Policy
Approved 00.00.0000**

I. INTRODUCTION

The Forest Theatre Guild, Inc. (FTG) solicits and accepts gifts in support and fulfillment of its mission and current strategic plan.

As positive relationships among all parties are essential to FTG's financial stability, responsibility for the preservation and enhancement of Philanthropy is retained by the Board and carried out as defined herein.

The goal of this Gift Acceptance Policy is to treat donors and their gifts uniformly, with full disclosure, and to provide guidelines for the acceptance and stewardship of gifts. The provisions of this policy apply to all gifts received by FTG.

II. LEGAL & ETHICAL CONSIDERATIONS

- A. FTG is a California non-profit corporation, recognized by the IRS as a tax-exempt 501(c)(3) public charity.
- B. In the interest of transparency, FTG will make available its latest tax filing and audited balance sheet and income statement to any donor within a reasonable time of such a request. All donors may request access to their FTG donor file.
- C. FTG requests that donors consult with their accounting, tax, or legal advisors. FTG cannot provide these services on behalf of a donor.
- D. Where appropriate, FTG also separately seeks the advice of accounting, tax and legal counsel relating to gift offers, including:
 - 1. Gifts involving contracts or other documents where FTG is to assume an obligation;
 - 2. Transactions with potential conflict of interest that have the potential for IRS sanctions; and
 - 3. Instances in which the use of counsel is deemed appropriate by the Gift Acceptance Committee (GAC).
- E. FTG will not accept a gift that obligates the continuation of a program, which will likely become a financial burden or is inconsistent with FTG's mission.
- F. This Gift Acceptance Policy is supported by FTG's Ethics Policy dated: (under development); Investment Policy dated (under development) and current Strategic Plan.
- G. In accordance with the Association of Fundraising Professionals' Code of Ethical Principles & Standards of Professional Practice, no fundraiser is compensated based on a percentage of funds raised or on a contingent basis. If ever in the employ of FTG, non-exempt fundraisers will be compensated based on the number of hours worked; independent contractors and consultants will be compensated on an hourly or project basis.

III. FTG CONTRIBUTED INCOME PURPOSES

FTG accepts gifts in support of general operations, programs and physical capital needs. FTG also accepts gifts intended to sustain long-term viability or plan, launch, grow or promote significant new programs or facilities. These funds include Quasi Endowments restricted to specific purposes, as designated by the Board or a Donor, and permanent endowments accepted by the Board, as designated by a Donor.

A. General Funds

The FTG general operating fund supports FTG's annual work and is supported by its board members, patrons, friends and alumni, as well as interested corporations and foundations, along with government funding programs. General operating funds are additionally derived from special events.

B. Endowments

Once gifts are accepted, be they for the FTG Quasi Endowment, a Named Quasi Endowment, or a Permanent Endowment, the Funds are managed by the Board and invested in accordance with the Board's investment policies.

C. Designated Gifts – Endowments and Bequests

All designated gifts should include provisions to revert to a Board managed Quasi Endowment to assure the long-term viability of the fund should the primary designated purpose no longer be relevant; in keeping with FTG's current operations or has evolved in such a way over the course of time as to pose significant operating liabilities. In the scenario that such an event should occur, the GAC will endeavor to consult with the donor or a designated heir before presenting a recommendation to the Board.

IV. NAMED FUNDS

- A. Named Funds in support of the FTG mission and purpose may be established with gifts of \$25,000 or more.
- B. Any donor may make a gift of any amount to a previously established named fund.

V. TYPES OF GIFTS

- A. FTG accepts outright and planned gift including:
 - 1. Cash, cash equivalents and/or a written cash pledge;
 - 2. Publicly traded stocks;
 - 3. Publicly traded bonds; and
 - 4. Publicly traded mutual funds.
- B. In keeping with nonprofit best practices, all securities may be immediately sold.
- C. A Gift Agreement between FTG and the Donor must accompany any gift of \$10,000 or more designated for a specific purpose other than the current fiscal year's operations.
- D. Operating, program, capital or sustaining support gifts may be pledged over a two to five-year pledge period. A Gift Agreement between FTG and the Donor must accompany all pledged gifts.
- E. The GAC will communicate regularly with Donors with outstanding pledge commitments. However, should a donor not fulfill a pledge or become more than one-year delinquent on payments, in the absence of a documented agreement, the GAC may recommend to the Board the addition of the collected funds to the FTG Board Quasi Endowment Fund.
- F. The GAC will review the following gifts for acceptance and may choose to refer acceptance to consensus of the Board:
 - 1. Closely held, restricted or other types of stock which are not publicly held;
 - 2. Real estate;
 - 3. Other outright gifts.
- G. Estate/Planned Gifts – FTG encourages gifts using the following types of estate/planned gifts (provided that the property gifted is acceptable to the FTG):

1. Bequests under Wills and distributions under Trusts
2. Beneficiary of retirement Plans including, without limit, IRA's, 401(k), 403(b), or Keogh plans.
3. Charitable Remainder Trusts
4. Charitable Lead Trusts
5. Donor Designated Community Foundation or other Donor Advised Funds
6. Remainder Interest in Residence
7. Pooled Income Funds
8. Other estate/planned gifts on a case-by-case basis after prior written approval of the Board

VI. BEQUESTS AND TRUSTS

- A. All donors will be encouraged to notify FTG of their current or future gifts made through wills, trusts, or other vehicles such as indirect gifts to FTG through a Community Foundation or Donor Advised Fund. All such information will be kept confidential unless permission to release such information is obtained in writing from the donor or his/her legal counsel.
- B. Gifts are welcome from donors who wish to remain anonymous, as well as from those who desire recognition.
- C. Planned gifts that could involve tax implications and other forms of financial and estate planning should be reviewed by the donor's legal counsel. FTG cannot provide these services.
- D. FTG requests donors establishing gifts by Bequest to include a provision for a secondary designation for any designated gift, permitting the Board, upon reviewing donor intent, to direct these funds toward purposes in the best interest of the organization's long-term viability. (See Section III. Item C. above.)
- E. Realized Bequests will be accepted by the GAC and may be referred to the board.
- F. In keeping with best practices, undesignated, i.e. general purposes, realized bequests will be directed to the FTG Board Quasi Endowment.

VII. DONOR RECOGNITION

- A. FTG's board and management will assure that all Donors are thanked promptly in a meaningful way.
- B. Operating support is recognized through lobby signage, inclusion in performance programs, and in FTG annual reports.
- C. FTG maintains three leadership recognition programs. These are:
 - a. The Abalone Club, which encompasses a pledge of support of at least \$10,000 per year for a period of three years or longer.
 - b. Production sponsorships, which are prominently recognized in each production's printed program; and
 - c. The Forest Theater Guild Legacy Society, which recognizes all donors who have included FTG in their estate plan; notified management of such; and agreed to public recognition.
- D. Special event donors will be recognized as above, as well as within materials associated with the event.

VIII. THE GIFT ACCEPTANCE COMMITTEE

- A. The Gift Acceptance Committee (GAC) will consist, at a minimum, of the following individuals associated with FTG:
 - 1. Chair or a co-Chair of the Board
 - 2. Chair of the Development/Campaign Committee (when committee is formed)
 - 3. Managing Director
 - 4. Chair or active member of the Finance Committee
 - 5. Chair or active member of the Investment Committee (when committee is formed)
 - 6. Development Director (when hired)

- B. The GAC will carry out the following responsibilities:
 - 1. Overall review of this policy every five years, recommending updates to the Board, through The Board's Development Committee.
 - 2. Review for acceptance all major gifts or pledges.
 - 3. Review of a gift designated for a restricted purpose
 - 4. Review of requests for Named Funds
 - 5. Review of all gifts of closely held or restricted stock, real estate, charitable trusts and other assets.

- C. The GAC may seek accounting, tax or legal counsel or an independent appraisal prior to the acceptance of non-cash gifts; gifts with long-term implications, or any substantial, complicated gift proposal.

- D. The GAC may choose to refer acceptance of specific gifts to the full Board.

- E. The Board reserves the right to refuse any gift that the Board determines, in its discretion, will be impractical, too costly to administer, create potential liabilities for FTG, is inconsistent with FTG's mission, or could jeopardize FTG's tax-exempt status.

IX. CONFIDENTIALITY

- A. Information learned by any representative of FTG about a donor or the donor's assets or philanthropic intentions will be held in strict confidence to the extent permitted or required by law.
- B. Anonymous gifts will remain anonymous.

X. MISCELLANEOUS.

If there is any inconsistency between this Gift Acceptance Policy and any other policy adopted by the Board, whichever policy was adopted later by the Board shall control in the absence of a Board resolution resolving the inconsistency.