



Gift Acceptance Policy

I. Overview

The Foundation for Orange County Public Schools (“foundation”) encourages the solicitation of all forms of gifts to support the foundation and its mission. Private gifts and grants enable the foundation to expand its reach and support new programs that address unmet needs.

II. Types of Gifts Accepted

The foundation accepts restricted and unrestricted private gifts and grants, provided these gifts are consistent with fulfilling the foundation’s mission. The foundation’s mission is to focus community resources to ensure a quality public school education for every student.

The foundation reserves the right to deny or refuse acceptance of gifts that it believes are inconsistent with the mission of the foundation and OCPS.

The foundation board of directors holds final authority for acceptance of gifts and may take action to waive requirements in this policy due to unusual or unexpected circumstances. In an academic environment, unforeseen internal or external circumstances may eventually cause the purpose of a gift to be inappropriate, impractical or unnecessary. If this occurs and the donors are deceased, disbanded or otherwise unable to consent to an amendment, the foundation board may re-designate the purpose of the gift, in adherence to both foundation policy and applicable state laws. The board shall designate a purpose as closely aligned as possible to the donor’s original intent.

In addition to the provisions of this policy, the foundation board of directors will follow NCPG Guidelines for Reporting and Counting Charitable Gifts (National Committee on Planned Giving, 2005).

A. Outright Gifts

These consist of cash, check or credit card gifts. The postmark date is the date for gifts of cash sent to the foundation. The date for gifts by check will be the check date.

B. Quid Pro Quo Contributions

Individual donors who patronize special events such as a golf tournament and auctions make quid pro quo contributions. The IRS defines a quid pro quo gift as “a payment made partly as a contribution and partly in consideration for goods and services provided to the payer by the donee organization.” The goods or services received by the payer are called “premiums.” For gift reporting purposes, the gift value of quid pro quo contributions is equal to the total contribution minus the value of the premium.

C. Gifts of Intangible Assets

Gifts of marketable securities, made directly through a brokerage transfer, through a “house account” established by the donor or through an executed assignment, shall be directed to the foundation’s brokerage account for disposition. All securities received are sold as soon as is reasonable, unless the foundation board deems otherwise through board action.

D. Gifts of Real Estate

The foundation may accept gifts of real estate, including houses, condominiums, commercial property, farm land, rental property and undeveloped land. Such gifts shall be independently appraised and, if needed, environmentally audited at the expense of the donor. The decision to recommend acceptance of gifts of real estate resides with the finance committee of the board of directors of the foundation after a complete review and assessment. The foundation board of directors has final authority for acceptance. All intangible assets received are sold as soon as is reasonable, unless the foundation board deems otherwise through board action.

E. Gifts of Tangible Personal Property

The foundation may accept gifts of tangible personal property, including works of art, jewelry, antiques, minted coins, stamps, automobiles and manuscripts or books. Such gifts are subject to a review and assessment by the finance committee of the board of directors of the foundation as to the feasibility of acceptance. The foundation board of directors has final authority for acceptance.

If the donor estimates the value of such gifts at \$5,000 or more, he or she must obtain a written appraisal by a qualified independent appraiser to satisfy IRS requirements for tax-deductibility. The foundation cannot appraise or assign valuation to such gifts.

Unless the foundation board decides otherwise, it is the foundation’s intent to sell such gifts, rather than use them, and therefore the donor must be informed that IRS rules will likely limit the amount of the charitable deduction to the donor’s cost basis.

F. Planned Giving

These gifts involve the transfer of substantial assets that affect the distribution of the donor’s estate. They may be through a will, trust, life insurance or retirement plan. Methods of such gifts include:

1. Irrevocable Planned Gifts
 - a. Charitable Gift Annuities
 - b. Charitable Remainder Trusts
 - c. Lead Trust

For gift reporting purposes, Irrevocable Planned Gifts are reported both at face value and at present value. Values will be determined based on the guidelines set forth in NCPG Valuation Standards for Charitable Planned Gifts (National Committee on Planned Giving, 2004).

2. Revocable Planned Gifts
 - a. Bequest Intention
 - b. Charitable Remainder Trusts with a Revocable Remainder Interest
 - c. Beneficiary of an IRA or retirement plan

For gift reporting purposes, Revocable Planned Gifts are reported both at face value and at present value. However, revocable planned gifts will be reported separately from irrevocable planned gifts and will include a full disclosure of the revocable nature of such gifts. Values will be determined based on the guidelines set forth in NCPG Valuation Standards for Charitable Planned Gifts (National Committee on Planned Giving, 2004).

Each deferred giving instrument has tax consequences for the donor and benefits to the foundation and should be drawn up by the donor's financial adviser, tax adviser or estate planning attorney.

In the case of a bequest to the foundation, the donor should use the legal name of the agency, which is The Foundation for Orange County Public Schools, Inc.

III. District Funds

Contributions to the foundation from individuals or outside organizations made for the specific purpose of benefiting specific schools or district departments designated by the donor are considered charitable contributions and will be recorded as gift income and assets of the foundation.

VI. Endowment Funds

An Endowed Fund for scholarships or programs may be created with a minimum goal of \$50,000 in private contributions. This may be reached through a single gift or through a series of pledged gifts to be completed over a period of one to five years. For purposes hereof, the term "Endowed Fund" shall mean any permanent gift of money or property to the foundation, where the income or principal (or combination thereof) of such gift is to be distributed for a specific purpose over time.

At a minimum, the Executive Director shall charge the greater of \$500 or 1% of the fund balance as of December 31 for the administrative fee. Otherwise, the administrative fee shall take into consideration duration, complexity and administrative time associated with the fund in setting the annual administrative fee. All funds invested by the foundation are subject to an investment management fee assessed by the outside investment management company.

The foundation shall make every effort to have donors sign a formal agreement clearly stating the restrictions, purposes and other criteria necessary for the orderly distribution of funds from the Endowed Fund. In the absence of any direction or donor stipulations the gift shall be considered unrestricted.

Spending cannot occur from an Endowed Fund until the private gift goal or pledge has been met and the funds have been invested by the foundation for at least four quarters. In the absence of any provision in the written agreement with a donor to the contrary, the foundation shall execute a policy of expending at least five percent (5%) of the principal value of the Endowed Fund each year for purposes consistent with the intent of the donor. Notwithstanding the foregoing, if market conditions result in low or negative performance returns, the foundation board is authorized to restrict disbursements accordingly to maintain the principal of the Endowed Fund, unless the agreement signed with the donor provides otherwise. Additional restrictions may apply and will be outlined in the formal written agreement signed by the donor and the foundation.

Any Endowed Fund with the foundation that has no gift or expenditure activity for a period of three years and has not reached its minimum threshold may be reclassified as temporarily restricted. Funds will be available for disbursement in a purpose as closely aligned to the donor's original intent as possible.

VI. Named Gifts

Any Endowed Fund or other gift (a "gift") to the foundation that is contemplated to have a specific name shall be a name determined by the foundation or, if requested by the donor, the name mutually agreed upon by the foundation and the donor. The foundation shall not agree to any name that would, or might reasonably be expected to, impair the reputation or mission of the foundation. Further, should events or circumstances occur or be revealed after approving the name of the gift that would, or might reasonably be expected to, cause the previously-approved name to impair the reputation or mission of the foundation, the foundation shall thereafter change the name of such gift to a name that does not or would not so impair the reputation or mission of the foundation, while reasonably reflecting the nature and intent of the gift. In order to effectuate the previous sentence, the foundation shall ensure that any formal agreement with a donor regarding a gift shall contain a provision substantially as follows: "[Donor] acknowledges that the foundation is a charitable organization and that the foundation's reputation in the community is of paramount importance. Donor acknowledges that if events or circumstances occur or become revealed after the date hereof that would, or might reasonably be expected to, cause the name ["_____"] to impair the reputation or mission of the foundation, the foundation has the right to rename the fund or gift to a name that does not so impair the reputation or mission of the foundation, but that otherwise reflects the nature and intent of the gift."

IV. Tainted Gifts

No gift shall be accepted if there is any evidence or indication at the time the gift is made that the source of the funds may have been earned or accumulated by the donor through illegal means. However, should a gift be accepted in good faith that is later determined to have originated from a tainted source, the foundation board shall determine if the funds should be returned.

V. Donor Intent

In the absence of any written direction or donor stipulation, gifts to the foundation shall be considered unrestricted.

VI. Donor Acknowledgement

The foundation will follow IRS substantiation requirements for gifts of \$250 or more and quid pro quo gifts. All gifts to the foundation shall be acknowledged to the donor within 48 hours of receipt.

Approved:

June 5, 2015