



## **Gift Acceptance Policy and Acknowledgment Procedures**

(updates approved by BPSF Board December 11, 2024)

### **I. Purpose**

The Bartlesville Public Schools Foundation (“BPSF”) solicits and accepts gifts that are consistent with its mission and that supports its core programs as well as special projects. This Gift Acceptance Policy (this “Policy”) and attached Acknowledgment Procedures (Appendix A) govern such gifts, establishing guidelines and procedures for acceptance and receipt of donations to BPSF and ensuring that no gifts will compromise BPSF’s ability to accomplish its goals or jeopardize its exempt status as a 501(c)(3) organization.

It is the responsibility of BPSF to productively pursue gifts that will further its mission, goals, and objectives.

While this Policy is intended to provide guidance to BPSF and its Board (the “BPSF Board”) regarding the acceptance of gifts and prospective gifts, donors are ultimately responsible for ensuring that the proposed gift furthers their charitable, financial, and estate planning goals. The valuation of a gift for tax purposes is the sole responsibility of the donor. BPSF does not provide legal, accounting, tax, or other advice to prospective donors. Therefore, prospective donors are encouraged to seek the advice of independent legal, tax, and estate planning counsel in the gift planning process.

In certain cases, a gift may be considered inappropriate due to the form of the gift or particular restrictions on the use or application of the gift imposed by the donor. This policy provides guidelines around the acceptability of such forms of gifts and restricted gifts. In any event, a gift cannot be associated with a private benefit that would jeopardize the charitable status of BPSF.

All gifts that will go into BPSF funds held by the Bartlesville Community Foundation (BCF) are also subject to the BCF gift acceptance policies.

### **II. Unrestricted Gifts**

- A. Unrestricted gifts will be used according to the BPSF policies and budget needs to most effectively support the mission and purposes of the BPSF.

- B. Designations may be assigned to unrestricted gifts by the BPSF Board in order to accomplish the intent of the donor and/or mission of the BPSF.
- C. Unrestricted bequests or estate gifts and unrestricted memorial or tribute gifts will be used in a manner that supports the long-term mission of BPSF.

### **III. Restricted Gifts**

- A. Donors may designate a contribution to support a specific program, fundraising campaign, school, or department, so long as the designation meets the following criteria:
  - 1. Consistent with the tax-exempt status of the BPS Foundation
  - 2. Fits the mission and general charitable purpose of the Foundation
  - 3. Responds to an expressed need of a school site or school administrator
- B. Donors may also work with the BPSF to use donor-designated funds to establish new programs and enter into an agreement with each other to ensure all parties intentions and needs are met.
- C. Donors making donor-designated gifts shall be advised that the BPSF Board may use their variance power to redirect gifts to another purpose as closely related as possible to the donor's original intent, if in the judgment of the BPSF Board, special purposes or limitations specified in a gift designation become unworkable or otherwise impossible to fulfill.

### **IV. Generally Acceptable Gifts**

BPSF will generally accept donations from individuals, partnerships, corporations, foundations, government agencies, or other entities, subject to the limitations and procedures set forth below.

- A. Cash
  - 1. Cash gifts are acceptable in any form, including check, money order, credit card, and wire transfers.
  - 2. Unrestricted cash gifts will be deposited into one of the BPSF's bank accounts.
  - 3. Cash gifts that need to be processed through the BPSF 501(c)(3) will be deposited into its bank account; all other gifts will be deposited into one of the bank accounts held for BPSF by the Bartlesville Community Foundation (the "BCF").
  - 4. Restricted gifts will be earmarked and used for the specified purpose (assuming it complies with this Policy).
  - 5. Gifts designated for the endowment will go into the endowment account.

## B. Marketable Securities

1. Marketable securities (publicly traded stocks and bonds) may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate guarantees) attached.
2. All marketable securities will be sold promptly upon receipt unless otherwise directed by BPSF's Finance Committee (with input from the BCF if going through a BCF-held account).
3. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances, the decision whether to accept the restricted securities shall be made by the BPSF Board with input from the BPSF Finance Committee and, when applicable, the BCF Board.

## C. Pledges

1. BPSF may accept pledges for future gifts, so long as there is some form of written signed documentation that clearly delineates the intent of the donor with respect to the timing, amount, and payment of the gift.
2. Changes to the original pledges must be documented in writing.
3. The pledge must be payable in no more than five (5) years, unless a longer payment period is approved by the BPSF Board.
4. Any matching gifts associated with pledges will not be recorded until received.
5. Pledge balances will be written off when BPSF is notified of a donor's death, unless there are provisions in the donor's will or other documents for the payment of the pledge or the family notifies BPSF in writing that it has assumed the obligation to complete the pledge.

## D. Planned Gifts

1. Life Insurance. BPSF will accept gifts of life insurance where BPSF is named as both the beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.
2. Testamentary Bequests and Bequests through Trusts. BPSF will accept bequests that are included in an individual's estate plan in the form of a properly executed, and the extent required, properly probated, trust or will.
3. Charitable Remainder Trusts. BPSF will accept designation as a remainder beneficiary of charitable remainder trusts.
4. Charitable Lead Trusts. BPSF will accept designations as income beneficiary of charitable lead trusts.

## E. Personal Property

In-kind gifts of noncash, personal property will only be accepted if they are related to a BPSF event, BPSF office operations, or in line with BPSF's mission. The BPSF Executive Director, in consultation with the school district, may, at his or her discretion,

accept non-cash in-kind gifts that are directly usable within the school district. Gifts of personal property valued at over \$1,000 may be accepted only upon approval of the BPSF Board after considering the factors listed in Appendix B.

**F. Donations of Service**

BPSF may accept donations of service from volunteers that are directly in furtherance of its mission, programs, operations, and sponsored events.

**G. Tax Credit Eligible Contributions**

The BPS Board of Education has approved the BPS Foundation to accept contributions from taxpayers that meet certain criteria and offer the taxpayer a tax credit of up to 75% of the amount of their gift, pursuant to Senate Bill 1080, passed in November 2021. These tax credits are subject to limitations and other restrictions included in the legislation. The BPS Foundation Board has established certain parameters around these contributions, in addition to the requirements imposed by the legislation.

The BPS Foundation will track the tax-credit eligible contributions separately from other contributions it receives and deposit them into their 501(c)(3) account. It will collect information about the contributions and the taxpayers who made the contributions, and report that information to the Oklahoma Tax Commission (the “OTC”) and other state officials pursuant to the requirements in the legislation and additional guidance issued by the OTC.

**V. Generally Unacceptable Gifts**

**A. BPSF will not accept gifts that will:**

1. Result in BPSF violating its corporate charter;
2. Result in BPSF losing its 501(c)(3) status;
3. Result in BPSF violating its Affiliate Agreement with the BCF;
4. Be too difficult or expensive to administer in relation to their value; or
5. Result in any unacceptable consequences for BPSF.

**B. Gifts of Significant Risk**

“Gifts of significant risk” are gifts of non-cash property that are not convertible to cash promptly following receipt and, during the period of ownership by BPSF, would (a) be subject to unpredictable fluctuations in value, (b) obligate BPSF to pay taxes, (c) expose BPSF to any potential liabilities in connection with or attributable to the gifted asset or (d) potentially deter other donors from making gifts to BPSF by creating the impression of its receipt of a significant gift that in fact, may not be received for an extended period of time. The following are examples of gifts of significant risk:

- Gifts of real property
- Gifts of unregistered securities or other business ownership interests

- Insurance policies
- Gifts of personal property, if not directly used or useable by BPSF, the district or a school
- All gifts of unusual items or gifts of questionable value

Generally, BPSF will not accept gifts of significant risk. However, if a particular proposed gift falls into the definition of a gift of significant risk, but the Executive Director believes that the gift would be appropriate and of particular value to BPSF, then such a gift may be accepted following the proper prior review and approval of the BPSF Board. In such a case, the BPSF Board will seek the advice of legal counsel before accepting the gift.

## **VI. Other**

- A. Gifts from Potentially Controversial Donors. The BPS Foundation will not accept gifts from entities that provide services that are illegal to the general population of adults over 21 years of age. For example, the BPS Foundation may accept a sponsorship or contribution from a brewery; but will not accept a donation or sponsorship from a marijuana dispensary. If the BPS Foundation Executive Director is concerned about a donor being controversial, he/she shall take the potential donation to the BPS Foundation Board, in which case the BPS Foundation Board may exercise its discretion pursuant to Section VI(I).
- B. Role of Board Members. As a fundraising organization, it is important that all BCF Board members have a thorough understanding of this Policy regarding the acceptability of donations that they solicit. Accordingly, this policy should be made available to and carefully reviewed by all Board members, including as part of their initial orientation.
- C. Records and Recognition. Records are maintained for all gifts. An appropriate acknowledgement of the gift will be made according to our Gift Acknowledgement Procedures (Appendix A).
- D. Anonymity. All requests for anonymity by donors will be honored.
- E. Expenses. Expenses incurred in connection with making a valid gift, i.e. legal fees, appraisals, etc... are the responsibility of the donor, absent action by the BPSF Board.
- F. Gift Administration Policy. The BPS Foundation's Gift Administration Policy provides guidelines and procedures for an administrative fee charged on certain gifts to the BPS Foundation including restricted gifts and gifts to the Endowment. It should be reviewed when accepting restricted gifts or endowment gifts.

- G. Other Law. This Policy will be used in conjunction with any current federal, state, and local laws and regulations that are necessary to follow for the protection of the BPSF and to provide the best available information for any donor about the gift they are making.
- H. Tax Information. General tax information may be made available to donors. However, the information is not intended to be, nor is it to be presented as, legal or tax advice. Donors shall be advised to seek independent counsel from professional legal and financial advisors regarding specific application of tax laws and other legal or financial considerations related to the gift.
- I. Memorial Funds. Accepted and handled as unrestricted cash gifts unless otherwise designated by the donor or deceased individual's family.
- J. BPSF reserves the right, in its sole discretion, to accept or decline any contribution BPSF determines does not fit within its mission or for any other reason.

## **Appendix A**

### **Bartlesville Public Schools Foundation Gift Recording and Acknowledgment Procedures**

#### **Gift Recording**

Gifts to 501(c)(3): Executive Director is responsible for issuing tax receipts for gifts of at least \$100.00.

##### Upon Receipt of Gifts

- Copy any check and donor info for our files.
- Notify the treasurer of donations (donor name and amount) via email weekly.
- Update donor database and mailing list with new information.
- Deliver checks or cash to Bartlesville Community Foundation (the “BCF”) (or if necessary for donation to go to the BPSF 501(c)(3), to Truity account) weekly and indicate designation and percent that is deductible.
- Acknowledge gifts according to Gift Acknowledgment Procedures.

#### **Gift Acknowledgement**

These procedures confirm the Foundation’s appreciation of its donors and its commitment to expressing gratitude to its donors.

The Foundation will acknowledge all gifts within five days using appropriate thank you letters based on gift level.

For gifts of \$25-\$99, donors should receive:

- A note from the executive director thanking them for their contribution.

For gifts of \$100-\$499, donors should receive:

- A hand-written thank you note signed by the executive director.
- The BCF will also print a tailored tax receipt on BPSF letterhead for the executive director to sign.

For gifts of \$500-999, donors\* should receive:

- A hand-written thank you note signed by the executive director and as many board members as feasible (depending on the timing of our board meeting), but at least signed by the executive director and board chairman.
- The BCF will also print a tailored tax receipt on BPSF letterhead for the executive director to sign.

- Donors in this category will be added to a list of “major donors” that board members will be asked to acknowledge individually from time to time.

For gifts of \$1,000 or more, donors\* should receive:

- A phone call from the executive director.
- A hand-written thank you note signed by the executive director and as many board members as feasible (depending on the timing of our board meeting), but at least signed by the executive director and board chairman.
- The BCF will also print a tailored tax receipt on BPSF letterhead for the executive director to sign.
- Donors in this category will be added to a list of “major donors” that board members will be asked to acknowledge individually from time to time.

\*Donors in these categories exclude donors who are also current board members. Current board members will get the same acknowledgement as other donors, but no letter signed by all board members.

### **Memorials:**

- Follow Gift Recording Procedures
- Thank donor according to Gift Acknowledgment Procedures
- Monthly, notify the family of the individual being memorialized or honored, of all gifts received. Give the family the donors’ names and addresses, and total amount of gifts received since the last family update. Refrain from sharing with family the amount individual donors contributed, unless family specifically requests such information and donor did not ask that it be kept confidential.

## **Appendix B**

### **Guidance for BPSF Board in Gift Acceptance Decisions**

Factors to consider when deciding whether to accept a gift subject to limitations:

- Whether the gift further BPSF's mission
- Whether the gift is marketable
- Whether there are any unacceptable restrictions imposed on the gift
- Whether there are any carrying costs for the gift for which BPSF may be responsible and
- Whether the title (ownership) of the gift is clear.

Consider seeking the advice of legal counsel in matters related to accepting:

- Gifts of securities that are subject to restrictions or buy-sell agreements
- Documents naming BPSF as trustee or requiring BPSF to act in any fiduciary capacity
- Gifts requiring BPSF to assume financial or other obligations
- Transactions with potential conflicts of interests
- Gifts of property which may be subject to environmental or other regulatory restrictions
- Any other "gifts of significant risk"

Resources:

<https://giving.richmond.edu/resources/pdfs/UR-Gift-Acceptance-Policy.pdf>

Bartlesville Community Foundation's Gift Acceptance Policy

Nonprofit Risk Management Center

Littleton Public Schools Foundation