



St. Mary Catholic Schools Foundation Gift Acceptance Policy

The St. Mary Catholic Schools Foundation (the “Foundation”) is deeply appreciative of the donors who choose to make an exceptional Catholic school experience for students in Neenah, Menasha, and the surrounding areas a priority when planning their charitable contributions. The Foundation gladly accepts donations for the support of the students, programs and facilities that are in keeping with the mission and strategic plan of St. Mary Catholic Schools (“SMCS”). The following is intended to be a set of guidelines for the evaluation and acceptance of donations.

A. Mission Statement

Preparing and inspiring students to lead meaningful lives, rooted in the teachings of Christ in our Catholic tradition.

B. Authority for Accepting Gifts

The authority to accept gifts into the Foundation is vested with the Foundation’s Board of Directors (the “Board”). The Board has delegated authority to the President of SMCS, who may further delegate authority to the Director of Development of SMCS, to accept gifts of cash, cash equivalents, and gifts-in-kind (including, but not limited to marketable securities, tangible personal property, real property and closely-held business interests) to help SMCS fulfill its mission.

The President of SMCS and the Director of Development of SMCS shall refer decisions on accepting gifts to the Board for gifts which in their judgment are either complex, contrary to established rules, procedures, or law or may have a major impact on SMCS’s mission and programs.

C. Gift Types

Cash, Checks and Credit Card

The Foundation accepts gifts made as cash, through a valid checking account or by means of a credit or debit card. The date of the gift is recorded as the date the gift is received in the Advancement Department, with the exception of gifts received at the close of the calendar year. At that time, the date of the postmark on the envelope shall serve as the gift date.

Gifts of Marketable Securities

Marketable securities may be transferred electronically to a brokerage account maintained by the Foundation. The donor must initiate the transfer of securities either electronically or make arrangements for physical delivery with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. Before a transfer is made, it is the donor's responsibility to inform the Advancement Department that a stock donation is in process and that the Foundation shall be the beneficiary of the gift. As a general rule, all marketable securities shall be sold as soon as administratively possible following receipt.

Gifts of Tangible Personal Property

Gifts of tangible personal property may be accepted by the Foundation provided they meet the approved needs of the Foundation and/or SMCS and do not place an undue burden on the Foundation to maintain. The Foundation shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- Does the property further the organization's mission?
- Is the property marketable?
- Are there any unacceptable restrictions imposed on the property?
- Are there any carrying costs for the property for which the organization may be responsible?
- Is the title of the property clear?

Gifts of tangible personal property are deductible according to their fair market value (FMV) as evidenced by the donor. For proper acknowledgment, donors should provide the Foundation with a detailed description of the item when making the donation. In accordance with IRS guidelines, the Foundation will provide the donor with an acknowledgement of the gift, but will not acknowledge an assumed FMV unless the donor provides an independent appraisal. In any event, it is the donor's responsibility to substantiate the FMV to the IRS.

Gifts of artwork, decorative items, cars, boats and airplanes require distinct approval by the Foundation. All such assets are treated uniquely by IRS regulations both in terms of the Foundation's responsibility in accepting such gifts and the donor's responsibility in reporting them. The Foundation strongly suggests that donors consult with their tax advisors whenever making a gift of this kind.

Gifts of Real Property

Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. The real estate being gifted must be titled to the donor(s) and free of liens. Prior to acceptance of any gift of real estate other than a personal residence, the Foundation may require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the Foundation may retain a qualified environmental firm to conduct an environmental audit. All expenses related to the environmental audit will be paid by the donor.

The Board, at its discretion, may refuse any gift of real estate. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of the Foundation or St. Mary Catholic Schools?
- Is the property marketable?
- Is there a property manager in place and, if so, under a contract?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit, if required, reflect that the property is not damaged?

Closely Held Securities

Closely held securities include not only debt and equity positions in non-publicly traded companies, but also interests in limited partnerships and limited liability companies or other ownership forms. Gifts must be reviewed prior to acceptance to determine:

- Are there any restrictions on the security that would prevent the Foundation from ultimately converting it to cash?
- Is the security marketable?
- Will the security generate any undesirable costs or tax consequences for the Foundation or St. Mary Catholic Schools?

To be accepted, closely held securities must have a qualified appraisal performed by an independent professional appraiser at the expense of the donor. If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. Following advice by legal counsel, the Foundation shall make the final determination on the acceptance of closely held securities. Every effort will be made to sell closely held securities as quickly as possible.

Planned Gifts

A planned gift for this purpose is any gift that is customized to the needs and objectives of an individual donor to help that donor maximize his/her gift to the Foundation and realize personal, financial and tax benefits.

Many planned gifts are designated to be given all or in part upon the donor's passing. Donors who make such a gift are encouraged to contact the Director of Development so that the Foundation can discuss the terms ahead of the effective date of the gift and to reassure the donor that his/her wishes will be fulfilled.

Donors are encouraged to make bequests to the Foundation under their wills, and to name the Foundation as the beneficiary under trusts, life insurance policies, annuities and retirement plans, including IRAs. For more information about these options, please contact the Advancement Department.

D. Giving Opportunities

Unrestricted Giving

Gifts given to the Foundation that carry no designation by the donor and are not solicited for a restricted purpose (see below) are considered to be unrestricted and may be used for any purpose to carry out the mission and strategic goals of SMCS. Unrestricted gifts provide the most flexibility to meet the needs of SMCS.

Restricted Giving

As noted above, a gift given for a specific purpose is restricted by the donor in how or when it is used. Restricted gifts have a donor-placed restriction as to the purpose or timing of the use of the funds. The Foundation recognizes two types of restricted gifts: temporarily restricted gifts and permanently restricted gifts (endowments).

1. Temporarily Restricted Gifts

The original value of the gift and all earnings are available for expenditure on gifts made for a specific purpose, or at a specific time, or in support of a specific program of SMCS.

2. Permanently Restricted Gifts (Endowments)

Endowment gifts contribute to the long-term financial health of SMCS and are deeply appreciated and encouraged. Endowment gifts are generally held in perpetuity and earnings are used in accordance with the donor's wishes.

The donor-imposed restriction must align with the mission and strategic goals of St. Mary Catholic Schools. The Foundation will not accept gifts that (a) would jeopardize its status as a 501(c)(3) not-for-profit organization, (b) are too difficult or too expensive to administer in relation to their value, or (c) would result in any unacceptable consequences for SMCS or the Foundation.

Since situations and needs change over time, donors are encouraged to include alternative purposes for the use of narrowly restricted gifts at the time the gift is made.

All restricted gifts shall be governed by a written gift agreement or declaration that clearly sets forth the nature of the restriction.

If the Board determines in good faith that any donor-imposed restriction on the use of any gift has become unnecessary, incapable of fulfillment or inconsistent with the purposes of the Foundation or St. Mary Catholic Schools, then the Board may modify or eliminate such restriction in a manner that furthers the purposes of the Foundation or St. Mary Catholic Schools. It is expected that the Board will discuss any proposed changes with the donor or his/her family if reasonably possible and make the determination in good faith and as practically consistent with the original charitable intentions of the donor.

Named Funds

At the donor's request, the Foundation will establish a named fund with an initial contribution or pledged amount of \$50,000 or more. When appropriate, this minimum contribution amount may be waived by the Foundation for unique circumstances or when it is anticipated that subsequent gifts will be made to the fund in amounts sufficient to warrant the creation of a named fund.

If the value of the assets in any fund at any time falls below \$5,000, then the Foundation may combine the assets of the named fund with those of another fund of the Foundation to be used for purposes that the Board determines in good faith to be consistent with the general charitable intentions of the donor.

Memorial and Tribute Gifts

Donors may give a gift in memory or honor of a friend, or relative at any time. Notification will be sent to the family or honoree informing them of the donor's gift.

E. Stewardship

The Foundation is grateful for all gifts received which benefit the students, faculty and facilities of SMCS. The Foundation endeavors to recognize all gifts in an appropriate and timely manner. Vehicles for recognition include the Donor Report, publications associated with capital campaigns, naming opportunities, and/or donor recognition events.

Donor Recognition

The Foundation recognizes the role of donors and their gifts to the Foundation in achieving its charitable purposes. All gifts to the Foundation will be acknowledged regardless of the amount of the gift. Donors will be recognized in appropriate ways both privately and publicly, subject to the confidentiality provisions which follow. An ongoing master list of donors and corresponding gifts will be maintained by the Foundation.

Confidentiality

If a donor requests anonymity, the Foundation will use its best efforts to comply with such a request, to the extent permitted by law.

Gift Pledges

Pledges for capital or endowment purposes that are to be fulfilled over a period that exceeds one year can only be counted if received in writing and acknowledged as such by the Advancement Department.

The Advancement Department will review all open pledges on a regular basis, but not less frequently than semi-annually. Reminders for open pledges will be mailed at

appropriate intervals throughout the year. Donors of open pledges will be sent a statement of their pledge periodically.

Write-Offs

The Advancement Department will strive to resolve delinquencies in a manner appropriate to the particular pledge and on a case-by-case basis. Pledges that are not fulfilled by the last day of the fiscal year will be written off by the Advancement Department prior to closing the books for the year and the Advancement Department will seek the donor's gift in the new fiscal year.

Pledges can only be written off with the approval of the President of SMCS. For such delinquent pledges, all reasonable means of collecting a pledge receivable are to be exhausted before write-off procedures are initiated, as these situations may involve policies and procedures and/or amendments to financial statements. Requests to terminate a multi-year pledge may originate with either the donor or the Director of Development. The Advancement Department will accept donor-initiated pledge cancellation requests, obtaining written verification of the request from the donor when possible.

G. Miscellaneous Provisions

Use of Legal Counsel and/or Qualified Tax Advisors

The Foundation urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

The Foundation will seek the advice of legal counsel or qualified tax advisors in matters relating to acceptance of gifts when appropriate. Review by counsel and/or qualified tax advisors is recommended for, but not limited to, the following:

- Gifts of securities that are subject to restrictions or buy-sell agreements
- Documents naming SMCS (or any related entity, including the Foundation) as trustee or requiring SMCS (or any related entity, including the Foundation) to act in any fiduciary capacity
- Gifts requiring SMCS (or any related entity, including the Foundation) to assume financial or other obligations
- Transactions with potential conflicts of interest that may invoke IRS sanctions

- Gifts of property which may be subject to environmental or other regulatory restrictions
- Other instances in which use of counsel or advisors is deemed appropriate by the Board

Changes to Gift Acceptance Policies

The Board will review this policy from time to time and must approve any changes to, or deviations from, these policies at a regular board meeting or during a special session.