



**VERDE VALEY ARCHAEOLOGY CENTER, INC.
GIFT ACCEPTANCE POLICY**

THE PURPOSE AND ROLE OF GIFT ACCEPTANCE POLICIES

Gift acceptance policies provide discipline for the Verde Valley Archaeology Center (VVAC) in several ways:

1. The policies define the types of assets that are acceptable.
2. Policies establish the gift forms that are acceptable.
3. Gift policies define the organization's role in gift administration.

The primary benefit of gift acceptance policies is to maintain discipline in gift acceptance and administration. Discipline prevents the acceptance of gifts that will cost the VVAC time, money, and possibly its reputation, by providing reasons for when it is appropriate for the organization to say "No."

Policies also serve to educate VVAC staff and board about critical issues triggered by certain gifts. It is difficult to absorb and appreciate the practical issues associated with acceptance of certain gift forms without working through them and making choices about how to handle them.

The process of creating gift policies helps focus and strengthen the gift administration program. Regular review ensures that the staff and the board address questions critical to the planned gift program's integrity. It ensures that legal counsel is sought prior to the emergence of legal issues and that professional assistance is identified as a resource prior to the attempted resolution of problems.

Finally, the process gives the board a chance to make decisions about policy without the distraction of a pending gift to cloud its collective judgment. Experience shows that it is difficult for a gift acceptance committee or board to decline a gift, however unattractive, once it has been offered.

The following gift acceptance policies have been approved and adopted by the board of directors on November 11, 2010, and amended on October 31, 2011. These gift acceptance policies will be reviewed annually. This review is an important process in which the policies are revisited and reviewed, and forgotten items reinstated in memory. Review also allows fine-tuning or amendment to the policies in the event that changed circumstances allow the organization to accept new gifts, or to restrict or expand the manner in which current gift forms are handled.

**VERDE VALLEY ARCHAEOLOGY CENTER, INC.
GIFT ACCEPTANCE POLICIES AND GUIDELINES**

The Verde Valley Archaeology Center, an Arizona not-for-profit corporation, encourages the solicitation and acceptance of gifts to Verde Valley Archaeology Center, Inc., (VVAC) for purposes that will help the VVAC to fulfill and further its mission. The following policies and guidelines govern acceptance of gifts made to the VVAC or for the benefit of any of its programs.

I. Purpose of Policies and Guidelines

The Board of Directors and the Board of Trustees of the Verde Valley Archaeology Center, Inc., may solicit current and deferred gifts from individuals, corporations, foundations and other organizations to secure the future growth and missions of the VVAC. These policies and guidelines govern the acceptance of gifts by the VVAC and provide guidance to prospective donors and their advisors when making gifts to the VVAC. The provisions of these policies shall apply to all gifts received by the VVAC for any of its programs or services.

II. Use of Legal Counsel

Verde Valley Archaeology Center, Inc., shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

1. Closely held stock transfers that are subject to restrictions or buy-sell agreements.
2. Documents naming Verde Valley Archaeology Center as Trustee.
3. Gifts involving contracts, such as bargain sales or other documents, requiring the Verde Valley Archaeology Center to assume an obligation.
4. Transactions with potential conflict of interest that may invoke IRS sanctions.
5. Other instances in which use of counsel is deemed appropriate by the gift acceptance committee.

III. Conflict of Interest

Verde Valley Archaeology Center will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The VVAC will comply with the *Model Standards of Practice for the Charitable Gift Planner* promulgated by the National Committee on Planned Giving, shown as an appendix to this document.

IV. Restrictions on Gifts

The VVAC will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes and priorities. The VVAC will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the Articles of Incorporation, gifts that are too difficult or costly to administer, or gifts that are for purposes outside the mission of the VVAC. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Gift Acceptance Committee of the VVAC.

V. The Gift Acceptance Committee

The gift acceptance committee shall consist of the:

1. Executive Director
2. President;
3. Treasurer;
4. Vice-President; and,
5. Such other members as appointed by the President.

The gift acceptance committee is charged with the responsibility of reviewing all gifts made to VVAC, properly screening and accepting those gifts, and making recommendations to the board on gift acceptance issues when appropriate.

VI. Types of Gifts

The following gifts are acceptable:

- Cash
- Tangible Personal Property
- Securities
- Life Insurance
- Retirement Plan Beneficiary Designations
- Bequests
- Life Insurance Beneficiary Designations

The following criteria govern the acceptance of each gift form:

1.) Cash. Cash is acceptable in any form. Checks shall be made payable to “The Verde Valley Archaeology Center” and shall be delivered to the Treasurer of the Verde Valley Archaeology Center.

2.) Tangible Personal Property. All other gifts of tangible personal property (other than cultural materials) shall be examined in light of the following criteria:

- Does the property fulfill the mission of the VVAC?
- Is the property marketable?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?

The gift acceptance committee of the Verde Valley Archaeology Center shall make the final determination on the acceptance of other tangible property gifts.

3.) Securities. The VVAC can accept both publicly traded securities and closely held securities.

- **Publicly Traded Securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor’s signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the investment committee. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the gift acceptance committee of the Verde Valley Archaeology Center.
- **Closely Held Securities.** Closely held securities, which 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, can be accepted subject to the approval of the gift acceptance committee of the VVAC. However, gifts must be reviewed prior to acceptance to determine that:

- There are no restrictions on the security that would prevent Verde Valley Archaeology Center from ultimately converting those assets to cash;
- The security is marketable; and
- The security will not generate any undesirable tax consequences for the VVAC.

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. The gift acceptance committee of the Verde Valley Archaeology Center and legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

4.) Life Insurance. The Verde Valley Archaeology Center must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, the VVAC will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the VVAC may:

- continue to pay the premiums;
- convert the policy to paid up insurance; or,
- surrender the policy for its current cash value.

5.) Retirement Plan Beneficiary Designations. Donors and supporters of Verde Valley Archaeology Center will be encouraged to name the VVAC as beneficiary of their retirement plans. Such designations will not be recorded as gifts to the VVAC until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

6.) Bequests. Donors and supporters of Verde Valley Archaeology Center will be encouraged to make bequests to the VVAC under their wills and trusts. Such bequests will not be recorded as gifts to the VVAC until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

7.) Life Insurance Beneficiary Designations. Donors and supporters of Verde Valley Archaeology Center will be encouraged to name the VVAC as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to the VVAC until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

VII. Miscellaneous Provisions

Securing appraisals and legal fees for gifts to the VVAC. It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to the VVAC.

Valuation of gifts for development purposes. The VVAC will record a gift received by the VVAC at its valuation for gift purposes on the date of gift.

Responsibility for IRS Filings upon sale of gift items. The gift acceptance committee of the VVAC is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the VVAC when the charitable deduction value of the item is more than \$5,000. The VVAC must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to these policies.

Acknowledgement of all gifts made to the VVAC and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the board of the VVAC. IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions* are attached to these policies as an Appendix.

VIII. Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Board of Directors of the Verde Valley Archaeology Center. The Gift Acceptance Committee of the Verde Valley Archaeology Center must approve any changes to, or deviations from, these policies.

Approved on the 11th day of November, 2010
as amended on the 31st day of October, 2011

_____/s/_____
President, Verde Valley Archaeology Center

IX. Attachments

Model Standards of Practice of the Charitable Gift Planner
IRS Form 8282 and Instructions
IRS Publication 561 Determining the Value of Donated Property
IRS Publication 526 Charitable Contributions