



Giving USA Foundation LEGACY SOCIETY POLICIES

Approved by the Board on March 3rd, 2017

Mission. The mission of The Giving USA Foundation (herein, “FOUNDATION”) is to advance the research, education, and public understanding of philanthropy and produce the Giving USA Annual Report. The FOUNDATION develops extraordinary leaders in the world of philanthropy, elevating the fundraising consulting and nonprofit services industry and enhancing the philanthropic sector.

The **Legacy Society** seeks to advance the mission of the FOUNDATION by encouraging outright and planned gifts to increase endowed funds.

The FOUNDATION accepts gifts to advance its mission by encouraging outright gifts to be expended.

Confidentiality. The FOUNDATION staff shall adhere to strict confidentiality with regard to any information, records, letters and personal documents pertaining to donors and gifts. Breaches of confidentiality by staff may result in disciplinary action.

Standards and Guidelines: The following standards and guidelines will be followed in implementation of the Legacy Society’s efforts:

- Model Standards of Practice for the Charitable Gift Planner
- Code of Ethical Principles and Standards of Professional Practice of the Association of Fundraising Professionals
- Guidelines for Reporting and Counting Charitable Gifts (National Association of Charitable Gift Planners)
- Valuation Standards for Charitable Planned Gifts (National Association of Charitable Gift Planners)
- Charitable Life Insurance Evaluation Guidelines (National Association of Charitable Gift Planners)

Types of Planned Gift Arrangements:

- 1. Bequest.** Sample bequest language for unrestricted and restricted gifts, including endowments, will be available to donors and their attorneys to ensure that the bequest is properly designated.



2. **Charitable Remainder Trust.** The FOUNDATION shall not serve as trustee of charitable remainder trusts but may be named sole or partial remainder beneficiary.
3. **Charitable Lead Trust.** The FOUNDATION shall not serve as trustee of charitable lead trusts but may be named the sole or partial lead income beneficiary.
4. **Life Insurance.** A donor may irrevocably assign ownership and beneficiary of a paid up policy to the FOUNDATION. If the policy requires annual premium payments, the FOUNDATION will accept it only if the donor agrees to make annual contributions to the Foundation to cover all premiums, and the FOUNDATION will terminate the policy if at any time the donor does not satisfy this requirement.
5. **Retirement Plan Designation.** Donors will be encouraged to designate the FOUNDATION as primary or contingent beneficiary of a retirement plan pursuant to the plan's appropriate designation procedure, such as a specific form.
6. **Other:** Other gift arrangements are subject to approval by Legacy Committee and the Giving USA Foundation Board of Directors.

Documentation and Financial Accounting:

1. **Receipts for Gifts.** The FOUNDATION shall comply with all state and federal laws, regulations, rules and rulings with regard to providing donors a receipt for gifts.
2. **Documentation of Gifts.** The FOUNDATION accepts gifts for endowment funds and shall request appropriate documentation for all gifts.
4. **Documentation of Gift Restrictions.** With regard to the acceptance and documentation of gifts with restrictions requested by the donor, the FOUNDATION shall comply with all applicable federal and state laws, rulings, rules and regulations.
5. **Gifts Donor-Restricted to Endowment.** All outright and planned gifts donor-restricted for endowment will be placed in the permanently restricted Legacy Society Endowment Fund.
6. **Allocation of Unrestricted Planned Gifts.** The FOUNDATION will allocate unrestricted planned gifts and current gifts received through the Legacy Society's efforts to the Legacy Society Endowment Fund. Unrestricted gifts will be treated as temporarily restricted and board-designated to endowment.



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- 7. Use of Endowment Fund Earnings.** Once the Legacy Society Endowment Fund grows to at least \$25,000, the temporarily restricted earnings will be expendable.
- 8. Named Endowment Fund.** The minimum amount required for a named endowment is \$100,000. All named endowments, whether established by outright and/or planned gifts, will be documented with a written agreement signed by the donor and the FOUNDATION.
- 9. Reporting Fundraising Totals.** Unless otherwise indicated, all gifts and/or campaign totals may be reported and valued in accordance with the current standards as deemed appropriate by the FOUNDATION such as the counting, reporting and valuation standards promulgated by the National Association of Charitable Gift Planners (CGP).
- 10. Financial Accounting.** All gifts shall be accounted for in the audited financial records of the FOUNDATION in accordance with the appropriate accounting standards such as the current Financial Accounting Standards Board (FASB) and the American Foundation of Certified Public Accountants (AICPA) statements.

Recognition and Crediting:

- 1. Crediting of Gifts.** The FOUNDATION seeks to give credit to all donors for purposes of donor recognition and for achievement of advancement goals in an equitable manner for the appropriate amount of planned and outright gifts.
- 2. Recognition of Outright Gifts.** The FOUNDATION recognizes outright donations of specific amounts.
- 3. Recognition of Planned Gifts.** Membership in the Giving USA Legacy Society will be offered to all donors who confirm a revocable or irrevocable planned gift in the amount of \$25,000 or more.
- 4. Recognition of Cumulative Endowment Lifetime Gifts.** Cumulative lifetime gifts of \$100,000 or more are recognized by the following recognition: **Senior Members of the Legacy Society.** Irrevocable or revocable planned gifts at face amount are credited for this cumulative lifetime giving regardless of age.
- 5. Named Endowment Fund.** A donor making a gift of \$100,000 or more and restricting his/her/their gift to endowment will be honored by having an endowment fund named for



them. The earnings from the named endowment fund will be directed as the donors have requested and recorded in the gift agreement.

Gift Acceptance:

- 1. Primacy of charitable intent.** The Giving USA Foundation (“FOUNDATION”) shall promote those gifts that fulfill its mission and that comply with fundraising laws and ethical standards. To this end, the FOUNDATION reserves the right to refuse gifts that do not fulfill its mission or that violate any applicable law or ethical standard.
- 2. Assistance to donors.** The policy of the FOUNDATION is to inform, serve, guide, provide financial/tax illustrations and other information to assist donors who wish to support the FOUNDATION’s activities.
- 3. Independent counsel encouraged.** Persons acting on behalf of the FOUNDATION shall not provide legal and/or tax advice and shall in all cases encourage the donor to discuss the proposed gift with independent legal and/or tax advisors of the donor’s choice so as to ensure that the donor receives a full and accurate explanation of all aspects of the proposed charitable gift.
- 4. Authorized to negotiate.** The members of the Legacy Society Committee and staff of the FOUNDATION, may negotiate planned and endowment gift agreements with prospective donors in accordance with policies and procedures as authorized in this document. Additional staff and legal counsel may be consulted and informed as planned gifts are negotiated, particularly as their expertise is needed to evaluate the appropriateness and cost efficiency of potential gifts.
- 5. Signatory authority.** All forms, agreements and other documents necessary to accept and enter into planned gift arrangements as authorized in this document shall be signed by the chair of the Legacy Society Committee and the chair of the FOUNDATION Board on behalf of the FOUNDATION.
- 6. Legal counsel review.** All planned and endowment giving agreements requiring execution by the FOUNDATION, or which deviate from the arrangements outlined in this document, shall first be reviewed and approved as to form by the FOUNDATION’s legal counsel and the donor’s counsel.
- 7. Ethical standards.** All gifts will be negotiated in compliance with the Model Standards of Practice for the Charitable Gift Planner and the Code of Ethical Principles and Standards of Professional Practice of the Association of Fundraising Professionals.



- 8. Donor recognition.** The FOUNDATION offers individual recognition and stewardship for donors pursuant to the procedures stated herein. Donor recognition and stewardship shall be carried out in a manner that is fair and consistent for all donors, yet allowing a flexible approach that permits personalized opportunities for recognition that satisfies the interests of donors. All requests for donor anonymity shall be respected.
- 9. Procedure for approval of exceptions.** Where the acceptance of a gift represents a deviation from these policies and procedures, then approval of acceptance by the FOUNDATION Board of Directors upon a recommendation by the Legacy Society Committee shall be required.