



## **GIFT ACCEPTANCE POLICY**

Evolution Theatre Company (ETC), a not-for-profit organization organized under the laws of the New Zealand Charitable Trusts Act 1957, encourages the solicitation and acceptance of current and deferred gifts from individuals, corporations, and foundations for purposes that will assist ETC to further and fulfill its mission.

### **I. Purpose of Policy**

The purpose of this Policy is to govern the acceptance of gifts (including grants) by ETC and to provide guidance to prospective donors and their advisors when making gifts to ETC. The provisions of this Policy shall apply to all gifts received by ETC for any of its programs or services.

### **II. Restrictions on Gifts**

ETC 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. ETC will not accept gifts that violate the charitable trust of ETC, gifts that are accompanied by an improper economic benefit to the donor such as a gift that is conditioned on a commercial preference to the donor or affiliated company, or gifts that vest the donor with inappropriate control such as a gift that requires ETC to hire a specific person or take some other unacceptable action. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Committee.

### **III. Gift Vehicles**

ETC will accept gifts through the following gift vehicles:

- Outright donations
- Testamentary bequests
- Charitable remainder trusts
- Charitable lead trusts

ETC does not offer the following gift vehicles:

- Charitable gift annuities
- Pooled income funds



#### **IV. Assets**

ETC is authorized to accept the following assets, subject to this Policy. Any questions about whether a gift may be accepted under this Policy shall be resolved by the Committee.

Cash or Cash Equivalents	Acceptable.
Charitable Pledge Agreements	Acceptable, if payable only in assets listed herein.
Publicly Traded Securities	Acceptable, so long as they are readily marketable, such as those traded on a public stock exchange. The final decision whether to sell or hold shall be made by the Committee.
Closely-Held Securities and Other Intangibles	Acceptable, subject to review by the Committee. ETC shall not accept securities and other intangible assets which may not be sold, have no value, or may result in additional liability to ETC.
Tangible Personal Property	Acceptable, so long as the property has a use related to ETC's mission or is expected to be sold. If requested by ETC, the donor shall sign a statement of ownership and warrant that the property is free and clear of any liens or other encumbrances. ETC can not accept any property subject to a restriction on its ability to use, sell, or otherwise deal with the property as it deems necessary.
Life Insurance	Acceptable. ETC may accept the gift of a life insurance policy, provided that ETC is the owner and the irrevocable beneficiary of the policy. If the policy is not fully paid-up, the donor shall be encouraged to make annual gifts to ETC sufficient to cover additional premiums. ETC shall have the



right to retain the life insurance policy, cash it in, or otherwise make use of its value.

#### Real Estate

Acceptable, subject to review by the Committee. ETC will not accept any real estate subject to a restriction on ETC's ability to use, sell, or otherwise deal with the property as it deems necessary. The basic policy of ETC is to sell all contributed property as soon as practicable. Costs related to acceptance of gifts of real property such as legal fees, surveying costs, hazardous waste surveys, etc., will be allocated as mutually agreed and will not affect the recorded value of the gift. Appraisal costs are the responsibility of the donor.

#### In-Kind Gifts

Acceptable, if approved by the Artistic Director. In-kind contributions include gifts of supplies, equipment, services and the like which are beneficial to ETC. Costs incurred as a result of accepting the gift, such as transportation and storage, must be approved by the Committee. ETC shall report all in-kind gifts to the Board.

**Additional Guidance on Gifts of Real Estate.** ETC shall accept all bequests of real estate unless the Committee determines otherwise. ETC shall review all proposed *inter vivos* gifts of real estate and shall consider such factors as sale and holding costs, current and expected future value, encumbrances, liabilities, title, restrictions, and any potential environmental issues prior to acceptance.

Prior to accepting a gift of real estate, the following steps will generally be taken:

- Complete a profile of the property.
- Obtain a copy of the deed, any encumbrances, leases, and current tax bill.
- Consider obtaining a title report.
- Inspect the property.
- Consult with a real estate advisor as to marketability.
- Evaluate the potential for any environmental liabilities.



## **V. Miscellaneous Provisions**

**A. Managing Director.** Except as provided in Article II above, the Managing Director shall have discretion and authority to accept unrestricted gifts, allowable under this Policy, of a value up to \$100,000. As to restricted gifts, the Managing Director shall have discretion and authority to accept restricted gifts of a value up to \$50,000. Gifts above those amounts may be accepted only by the Committee.

**B. Legal counsel.** The Managing Director may seek the advice of legal counsel where appropriate and shall seek the advice of legal counsel in all matters pertaining to the acceptance of a gift which may have adverse legal, ethical, or policy consequences to ETC. All prospective donors shall be urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning implications.

**C. Securing appraisals and legal fees for gifts to Evolution Theatre Company.** ETC shall not appraise property. It shall be the responsibility of the donor to secure an appraisal where required. ETC shall not pay the legal fees of the donor. The donor shall pay any fees for appraisals and legal advice required.

**D. Valuation of gifts for development purposes.** ETC shall record a gift received by ETC at its valuation for gift purposes on the date of gift, following generally accepted accounting principles (GAAP).

**E. Written acknowledgment.** ETC shall be responsible for the written acknowledgment of all gifts made to ETC and compliance with the current IRD requirements.

**F. Confidentiality.** Upon the donor's request, the name, amount, or the conditions of any gift shall not be made public. Except as required by law, all other personal information obtained from or about donors shall be held in strictest confidence by ETC.