



## **GIFT ACCEPTANCE POLICY**

### **I. INTRODUCTION**

This policy document is designed to assure that all gifts to, or for the use of, the Kansas City Symphony (KCS) are structured to protect the interests of the KCS and the persons and other entities who support its programs, as well as provide maximum benefits to both parties. This document focuses on both current and deferred gifts, with special emphasis on various types of deferred gifts and gifts of non-cash property.

The goal is to encourage funding of the KCS without encumbering the organization with gifts that may prove to generate more cost than benefit or are restricted in a manner inconsistent with the goals of the KCS.

To optimize funding from individuals and other entities, KCS must respond quickly, and in the affirmative where possible, to all gifts offered by prospective donors. It is understood that except where stated otherwise, this policy is intended as a guideline. Flexibility should be maintained, as some gift offers can be complex and decisions made only after careful consideration of a number of interrelated factors. Therefore, this policy requires that certain types of gifts be considered by the Gift Acceptance Committee (GAC), a subcommittee of the Development Committee of the Board of Directors. The GAC has the authority to consult with and engage, if appropriate, outside subject-matter experts to advise on a particular gift. Depending on the type of gift, the GAC may offer final acceptance approval or make a recommendation to the Executive Committee of the Board of Directors (Executive Committee) for final approval.

### **II. OUTRIGHT GIFTS**

#### **A. Cash**

Unrestricted gifts in the form of cash and checks shall be accepted regardless of amount. Restricted gifts in the form of cash and checks will be accepted, unless it is deemed by the Director of Development, in consultation with the Executive Director, or by the GAC if the Executive Director determines that the issue should be reviewed by the GAC, that such restriction:

- 1) Is inconsistent with the mission and priorities of the KCS,
- 2) Could not be reasonably implemented without undue burden to the KCS, or,
- 3) Would harm the integrity and reputation of the KCS.

#### **B. Publicly Traded Securities**

Securities traded on any public exchange shall generally be accepted by the KCS. Such securities will be immediately sold by the KCS unless the Executive Committee elects not to pursue an immediate sale. If the donor advises that the subject securities are not immediately marketable, whether because of securities law restrictions (e.g., Rule 144 limitations) or otherwise, or if the donor specifically instructs the KCS not to sell the securities immediately, the GAC will evaluate the proposed gift and make a recommendation to the Executive Committee, which will make the final determination of whether to accept the gift.



**GIFT ACCEPTANCE POLICY continued.**

**C. Closely Held Securities**

In light of the difficulty of disposing of closely held securities, a gift of non-publicly traded securities shall be reviewed by the GAC for its recommendation to the Executive Committee. The final decision to accept or decline a gift of closely held securities requires an action of the Executive Committee after it has reviewed the GAC's recommendation. KCS's preference is to sell any donated securities immediately, so a decision to accept a gift of non-publicly traded securities must take into account available avenues for resale.

**D. Tangible Personal Property**

The KCS shall accept gifts of tangible personal property to be distributed or disposed of as part of the KCS's routine activities, including, but not limited to, auctions, raffles, promotion, marketing, stewardship, and cultivation.

Gifts of tangible personal property that fall outside of the Development Department's routine activities shall be reviewed by the GAC for recommendation to the Executive Committee. The final decision to accept or decline a gift of tangible property that falls outside of the Development Department's routine activities requires an action of the Executive Committee after it has reviewed the GAC's recommendation.

**E. Real Property**

The GAC will review all potential gifts of real estate and make a recommendation to the Executive Committee. The final decision to accept or decline a gift of real property requires an action of the Executive Committee after it has reviewed the GAC's recommendation.

**F. Intangible Personal Property and Non-Fee Interests in Real Property**

Gifts of intangible personal property and non-fee interests in real property including, but not limited to, mortgages, notes, copyrights, trademarks, royalties, and easements shall be reviewed by the GAC for recommendation to the Executive Committee. The final decision to accept or decline a gift of tangible property as described in this section requires an action of the Executive Committee after it has reviewed the GAC's recommendation.

**III. DEFERRED GIFTS**

**A. Bequests**

Unrestricted gifts through wills, trusts, or other transfers on death in the form of cash and checks shall be accepted regardless of amount and deposited into the Shirley Bush Helzberg Masterpiece Fund at the Greater Kansas City Community Foundation to support the KCS endowment, unless otherwise directed by the Executive Committee.

Restricted gifts through wills, trusts, or other transfers on death in the form of cash and checks will be accepted, unless it is deemed by the Director of Development, in consultation with the Executive Director, or by the GAC if the Executive Director determines that the issue should be reviewed by the GAC, that such restriction:

- 1) Is inconsistent with the mission and priorities of the KCS,



**GIFT ACCEPTANCE POLICY continued.**

- 2) Could not be reasonably implemented without undue burden to the KCS, or
- 3) Would harm the integrity and reputation of the KCS.

Restricted gifts through wills, trusts, or other transfers on death shall be deposited into the Shirley Bush Helzberg Masterpiece Fund at the Greater Kansas City Community Foundation to support the KCS endowment, unless otherwise specified by the donor or the Executive Committee.

In the case of gifts other than money (e.g., securities, real property, or tangible or intangible personal property) resulting from a bequest, the KCS shall request the representative of the estate to sell the property and give the proceeds to the KCS, unless:

- 1) The Executive Committee provides alternate instructions to the representative, or,
- 2) A donor restriction prevents the representative from doing so.

If gifts other than money resulting from a bequest are unrestricted and cannot be sold by the estate's representative, the KCS will convert them to cash as soon as possible, unless the Executive Committee decides otherwise for unusually compelling reasons.

If gifts other than money resulting from a bequest are restricted, the GAC will review the gifts and make a recommendation to the Executive Committee. The final decision to accept or decline restricted gifts other than money resulting from a bequest requires an action of the Executive Committee after it has reviewed the GAC's recommendation.

**B. Charitable Remainder Annuities, Charitable Remainder Unitrusts, Other Irrevocable Deferred Gifts**

The KCS does not serve as the administrator for charitable remainder annuities, charitable remainder unitrusts, charitable lead annuities, charitable lead unitrusts or other irrevocable deferred gifts. However, the KCS may be the beneficiary of such planned giving instruments. Gifts that come to the KCS through such means will be disposed of as described in the bequests section above.

**C. Pooled Income Fund**

The KCS does not maintain a pooled income fund.

**D. Charitable Gift Annuities**

The KCS will not establish gift annuities.

**F. Gifts of Life Insurance**

The KCS will accept irrevocable gifts of paid-up life insurance policies that name the KCS as the owner and beneficiary. The KCS will also accept irrevocable gifts of a life insurance policy that is not paid up if the KCS is named as the owner and beneficiary of the policy, and there is an expectation that the donor will make future gifts to the KCS for the purposes of paying any premiums due on the policy. However, as owner of the policy, the KCS shall have the sole authority to pay future premiums or to take any other action deemed appropriate with respect to



**GIFT ACCEPTANCE POLICY continued.**

any such life insurance policy. The KCS does not accept gifts that require the KCS to purchase life insurance on the donor's life or require the KCS to make premium payments on the donor's behalf. The KCS may also be named as beneficiary of life insurance policies that it does not own. In any event, once the proceeds are received from any life insurance policy, they will be treated as described in the bequests section above.

**IV. OTHER GIFTS**

Types of gifts not expressly identified by this policy shall be reviewed by the Director of Development and, on a case-by-case basis, referred to the GAC for its recommendation to the Executive Committee. The final decision to accept or decline any gift not expressly identified by these policies requires an action of the Executive Committee.