Exceptions to these policies will occasionally be necessary and will be identified and discussed by the Chair of the Board of Trustees and the Head of School.
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INTRODUCTION

Purpose

The Board of Trustees Policy Manual is intended to assist the Board of Trustees, the Head of School and senior staff in the uniform administration of School policies. If the manual does not provide the answer to a policy question, or if a policy is subject to more than one interpretation, the senior staff member should take the matter to the Head of School who may take the question to the Board of Trustees, if necessary.

The manual is further intended to serve the following functions: (1) to document policy positions taken historically by the Board and to serve as a current policy guideline when situations, which may be unforeseen or unintended, arise; and (2) to direct the implementation strategies and decision-making of the Board and School management.

Review and Revision

The Trustee Committee of the Board is responsible for the regular review of policies, under the advice of the Head of School. A three-year cycle is recommended.
WASHINGTON INTERNATIONAL SCHOOL

MISSION STATEMENT

Our mission is to be an exemplary learning community – enriched by differences, informed through inquiry, global in reach.

CORE VALUES

Inquiry-Based Learning

WIS students investigate the arts, humanities, sciences and technology through a rigorous, visionary, research-based curriculum inspired by academic innovators worldwide.

Global Perspective

WIS students learn two or more languages, embrace diverse cultures and viewpoints, and have the ability and confidence to navigate a complex world.

Individual Responsibility

WIS students pursue community engagement and demonstrate qualities of empathy, honesty, and civility.

Adopted: June 14, 2017
SECTION 1: BOARD OF TRUSTEES (see Bylaws)

1.1 Role & Responsibilities

The Washington International School Board of Trustees is a fiduciary body, charged with ensuring the long-term success of the School. The Board’s key responsibilities include:

a) Developing, approving, and adopting a clear statement of the School’s mission, vision, and strategic goals, and establishing policies and plans to achieve those.
b) Approving changes to the core program.
c) Reviewing and maintaining appropriate policies and bylaws that conform to legal requirements.
d) Accepting accountability for the financial stability and financial future of the School, engaging in strategic financial planning, assuming primary responsibility for the preservation of capital assets and endowments, overseeing operating budgets, ensuring adequate physical resources, and participating actively in fundraising.
e) Hiring, setting compensation for, supporting, and evaluating the Head of School, and planning for the Head’s succession.
f) Assessing the Board’s effectiveness.

1.2 Expectations

The Board of Trustees subscribes to the Principles of Best Practice published by the National Association of Independent Schools.

In addition, it is expected that trustees shall:

a) Become informed about the School’s history, goals, current operations and concerns
b) Come to meetings well-prepared and stay for all of each meeting
c) Respect confidentiality
d) Ask questions to be fully informed and have full understanding
e) Visit the School frequently (programs, plays, classes, social events, etc.)
f) Understand that the Board acts as a whole, without personal agendas or involvement in management or curricular implementation
g) Seek out voluntary assignments
h) Guard against conflicts of interest
i) Support the Head of School actively and demonstrate support within the community
j) Bring concerns about potential problems to the attention of the Head of School or the Board Chair
k) Contribute to advancement of the School program through financial support, attending functions, providing feedback, and active responsibility for fundraising
l) Have fiduciary responsibility for funds entrusted to the School

1.3 Separation of Duties

All implementation of day-to-day operations, curriculum, personnel and relationships with the community, is the responsibility of the Head of School and the School’s administrative team.
The Board relies on the administration to hear and adjudicate any grievances according to the policies found in the *WIS Employee Handbook* and the *Community Handbook*.

**1.4 Committees & Task Forces**

The Board has the following standing committees: Executive, Advancement, Facilities, Finance, and Trustees. The Chair of the Board may appoint task forces to address ad hoc matters.

**1.5 Conflict of Interest**

*(See Bylaws)*

**1.6 Modus Operandi**

The Board seeks consensus and efficiency in its deliberations whenever possible. At the Chair’s discretion, *Robert’s Rules of Order, Newly Revised* shall be used for Board discussion and deliberation. All attendees at Board meetings must comport themselves in a civil, respectful manner that is consistent with the WIS Core Values.

**1.7 Indemnity**

*(See Bylaws)*

SECTION 2: GOVERNANCE

**2.1 General Principles**

The Board is committed to adopting and maintaining governance policies and mechanisms, including Board selection and tenure practices, conflict of interest policies for trustees and employees, communication with all relevant communities, and financial oversight, which reflect the best practices of non-profit, independent schools.

**2.2 Term Limits**

*(see Bylaws)*
SECTION 3: FINANCE

The responsibilities of the Finance Committee include oversight of the School’s financial reporting process; review of the School’s budget and tuition fees and recommendation to the full Board of approval of the budget and annual tuition fees; review of accounting policies and internal control systems; appointment of the School’s external auditor who reports directly to the committee; review of the School’s annual financial statements with staff and the auditor; meetings with the School’s management and meetings with the auditors without management present; and communication with members of the wider School community on the School’s financial position.

3.1 Tuition and Fees

The Board shall endeavour to keep tuition as affordable as possible consistent with ensuring the long-term health and success of the School and the achievement of its Mission, and shall maintain a strong commitment to financial aid.

Financial Aid
The School is strongly committed to maintaining economic diversity within its community. Financial aid shall be used to support families who could not afford to enroll their children at WIS and shall be awarded in accordance with the strategic enrollment goals of the School, as set forth by the Director of Admissions and Financial Aid. The budgetary allotment for Financial Aid is set by the Board of Trustees.

Financial Aid grants do not cover the entire annual cost of enrollment; all families pay some portion of tuition and fees, and are expected to make funding their children’s education a priority.

Financial Aid is allocated according to the following priorities:
   a) Re-enrolling students who were previous financial aid recipients, who continue to qualify for financial aid.
   b) Re-enrolling students who previously paid full tuition, who due to a change in their family’s financial situation, now qualify for financial aid.
   c) Newly admitted students who qualify for financial aid.

Financial aid is available to the children of faculty and staff for Preschool through Grade 12 and to the children of all other families for primarily Kindergarten to Grade 12.

Awards are reviewed annually and adjusted, based on updated financial information submitted by the parents.

Schedule of Fees
The Finance Committee shall review and recommend the yearly schedule of fees, including amounts and dates payable, to the Board of Trustees for approval.
The schedule of fees is considered to be part of the enrollment contract. By signing the enrollment contract, parents agree to pay all applicable fees as outlined on the schedule of fees and to abide by all conditions of the contract.

For students who enroll late or leave early, adjustments of tuition fees shall be in accordance with the annual statement of school fees approved by the Board of Trustees. Families of students who have been expelled shall not receive a refund of tuition.

3.2 Fundraising

*(see WIS Gift Policy Manual, Appendix A)*

3.3 Investments and Investment Management

In recognition of its fiduciary responsibility, the Board has adopted the following governance structure and policies with respect to the management of investible funds held by the School:

**Investments**

This policy pertains to “investible funds” held by the School. Investible funds are defined as the Endowment (Unrestricted, Restricted and Temporarily Restricted), Reserve Accounts, and any other accounts that may be created by the Board, or the Finance Committee, other than cash accounts held at banks and used for the School’s operational purposes.

Endowment Funds deemed Restricted or Temporarily Restricted may not be disbursed other than in accordance with the wishes of their donors. However, the School may establish from time-to-time limits on the disbursement of these funds in order to promote long-term capital preservation and to reduce operating costs through administrative convenience. The Unrestricted Endowment, as well as other investible funds, will be governed by investment and disbursement policies established solely by the School’s governance structure, as set forth below.

**Chief Financial Officer**

The Chief Financial Officer (CFO) is the officer of the School who will be responsible for day-to-day administration of the School’s investible funds, including creating an appropriate control framework and systems to implement that framework. This will include the creation of appropriately segregated accounts, specifying and providing signature authority for the operation of investment accounts, making needed transfers amongst these accounts, and regular monitoring to ensure that account balances are consistent with expectations. The CFO will also monitor on a monthly basis that asset allocations made by the Investment Manager (if engaged) are consistent with the limits established by Strategic Asset Allocation framework that has been approved by the Investment Committee.

The CFO will also make an annual calculation of investment returns from Investments that are eligible for use by the School in its budget, consistent with the disbursement policy recommended by the Investment Committee and approved by the Finance Committee. These calculations will be harmonized with the School’s annual budget process so that they may be taken into account in the budget’s formulation.
**Investment Committee**

The Investment Committee will function as a subcommittee of the Finance Committee. It will be formed to include the Chair of the Finance Committee, one other trustee who will serve as Chair of the Investment Committee, and at least three other Trustees or non-Trustees with investment management expertise, resulting in a membership of no fewer than five members. The Chief Financial Officer (CFO, or School official with similar responsibilities) shall serve in an ex-officio and non-voting capacity. Three Trustee members will constitute a quorum. The Committee will meet no less frequently than quarterly and shall have the following functions:

a) Review the performance of the Schools investments (quarterly), as well as the investment outlook.

b) Recruit, via a competitive selection process, external investment manager (Manager) for the purpose of advising the School with respect to its investments, and make recommendations to the Finance Committee about the selection and terms by which a Manager or Managers should be engaged.

c) Monitor the performance of Manager(s), using information provided by the CFO and the Manager’s investment performance reports, provide feedback to the Manager, keep the Finance Committee informed, and, as necessary, recommend to the Finance Committee any actions to replace the Manager with alternatives.

d) Define and recommend to the Finance Committee (for eventual proposal to the Board of Trustees) a statement of Risk Policy that would express the trade-off the School will pursue between risk and expected returns, in consideration of the School’s resources and long-term financial goals. The Risk Policy should be reviewed by the Board of Trustees annually.

e) Consistent with the Risk Policy adopted by the Trustees, work with the Manager to develop a Strategic Asset Allocation (SAA) framework, and recommend to the Finance Committee the SAA for approval.

f) Define and recommend to the Finance Committee eligible asset classes and instruments for the School’s investments.

g) Recommend to the Finance Committee any changes to targeted account balances in reserve accounts and in the Endowment’s disbursement policies, based on investment considerations only.

h) Discuss any other investment policy issues that may arise from time to time, and develop recommendations, as appropriate, for consideration by the Finance Committee.

**Finance Committee**

The Finance Committee will have the following responsibilities in the Management of the School’s Investible funds:

a) Approve the appointment of members of the Investment Sub-Committee.

b) Approve the appointment of the Investment Manager(s), as proposed by the Investment Committee.

c) Approve and recommend a Statement of Risk Policy, as proposed by the Investment Committee, for ultimate approval of the Board of Trustees.

d) Approve a Strategic Asset Allocation framework, as proposed by the Investment Committee.
e) Approve the eligibility of asset classes and investment instruments, as proposed by the Investment Committee.

f) Approve any alteration of the targeted balances of reserve accounts or of Endowment disbursement policies, as proposed by the Investment Committee.

g) Consider any other investment policy recommendations that may be proposed by the Investment Committee from time to time.

Conflict of Interest

No School employee, Trustee, or member of any School committee will derive any direct or indirect financial benefit from the investment activities of the School.

3.4 Debt

(See Appendix B)

SECTION 4: THE SCHOOL

The following policies of the Board are in accordance with the School’s stated mission and core values:

4.1 Admissions

The Admissions Office shall seek to assemble a student body that is not only capable of succeeding in the School’s rigorous curriculum, but that is culturally, ethnically, racially, and economically diverse. The School does not extend special discounts to families with more than one student in the School, but does accord an admission preference to otherwise qualified siblings and children of WIS alumni and faculty. The School will not accept gifts from families who are in the process of applying for admission or otherwise engage in any actions that may affect the independent and objective judgment of pending applications.

4.2 Non-Discrimination

There shall be no discrimination by the School in the selection of its Board of Trustees, the employment of personnel, the admission of students, or the administration of the school's programming on the basis of actual or perceived: race, color, religion, national origin, sex, age, sexual orientation, genetic information, disability, veteran status or any other factor protected by applicable law.

4.3 Anti-Harassment

(see Community Handbook and Employee Handbook)
4.4 Communications

The Head of School and senior staff shall provide clear and accurate information about the school, including its mission, program, admissions, tuition and fees, and parent-student expectations to prospective and current families. They shall also communicate regularly and effectively with the community.

Crisis Management
The School shall have a Crisis Management Team and clearly delineated procedures. During a [public relations] crisis there shall be only one spokesperson: Head of School, or his/her designated alternate (see Emergency Preparedness Manual). If a public relations crisis pertained to the Head of School directly, the Chair of the Board would serve as the sole spokesperson.

SECTION 5: DISCIPLINE

While the Board of Trustees may be informed of disciplinary matters to the extent that such knowledge assists the Board in fulfilling its duties, the Board typically is not involved in disciplinary decisions, and does not hear appeals from such decisions.

(see Community Handbook)

SECTION 6. NON-PARTISANSHIP

The School is a non-partisan organization with an educational charter. Consistent with its Mission, the School encourages community engagement by students and welcomes civil dialogue among all community members. The School is strengthened by the broad diversity of viewpoints within its community. Respect for this diversity, and the demands of our Mission and our educational charter inform the WIS policy on School-related political activities:

a) The Board and administration shall apply the School’s rules and policies in a non-partisan, non-political manner.
b) The School shall not endorse political candidates.
c) Only on issues critical to its Mission and with Executive Committee approval shall the School take positions on political issues.
d) The School shall not organize or facilitate participation in off-campus political rallies or protests.
e) As with all other activities, political engagement on campus must comply with the School’s rules and policies.
SECTION 7: HEALTH AND SAFETY

7.1 Security

The Head of School, with the assistance of senior staff, shall be responsible for the School’s security. The Board shall periodically review the adequacy of the School’s security infrastructure, personnel, and procedures to reasonably protect students, faculty, staff, and property from threats, loss, or damage.

Emergency Drills
Tornado, fire, and shelter-in-place drills shall be conducted regularly. (see Emergency Preparedness Manual).

7.2 Child Protection
(see Community Handbook & Employee Handbook).

7.3 Smoking
(see Community Handbook and Employee Handbook).

7.4 Controlled Substances
(see Community Handbook and Employee Handbook).

SECTION 8: PERSONNEL
(see Staff Association Contract and Employee Handbook)

SECTION 9. FACILITIES
(see Community Handbook and Employee Handbook)

SECTION 10. INSURANCE

The Board shall ensure that the School purchases and maintains adequate insurance to protect the School, its employees, and trustees (see Section 1.7 “Indemnity”) from liability for claims resulting from fire, accident, theft, or other action.
Students and teachers are covered by the School’s liability insurance while involved in any School activity (e.g., field trip).

The amounts and types of insurance or bonding required shall be determined annually within the regular process of budget approval by the Board of Trustees, upon recommendation of the Chief Financial Officer.
WASHINGTON INTERNATIONAL SCHOOL
ADVANCEMENT OFFICE
GIFT POLICIES

When approved by the Board of Trustees of Washington International School, upon the recommendation of its Advancement Committee, the policies and procedures that follow supersede and replace all previous policies and procedures relating to the solicitation, receipt and processing of pledges, gifts and grants.

To the extent these policies and procedures are, or become, in conflict with federal or state law, applicable law shall always take precedence over any policies and procedures outlined herein.

APPROVED:

Board of Trustees

_________________________  _______________________
Chair, Board of Trustees    Head of School

_________________________  _______________________
Date                      Date
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PART I: GUIDELINES GOVERNING THE ADMINISTRATION OF FUND-RAISING PROGRAMS

A. Introduction

The following policies and procedures are set forth: [a] to define the working rules for the advancement program of Washington International School (“WIS” or the “School”); [b] to protect the School, its Board of Trustees, staff and volunteers; and [c] to inform the School’s advisors, donors and prospective donors. It is understood that, except where stated otherwise, these policies are intended as guidelines.

It is the general policy of the School and its Board of Trustees: (1) to offer diverse opportunities for gift support of the School; (2) to communicate such opportunities to constituents on a regular basis; and (3) to provide the resources for a full and effective development program for the benefit of donors, their advisors and the School.

The Advancement Office is the clearinghouse for the fundraising activities of the School. It shall be the responsibility of the Advancement Office and its staff, under the Director of Advancement:

1. The School has adopted the "Model Standards of Practice for the Charitable Gift Planner” as adopted by the National Committee on Planned Giving and the Committee on Gift Annuities in the spring of 1991 and revised in 1999. Copies of this document are kept on file in the Advancement Office.

2. To maintain and increase gift and grant support for the School;

3. To develop and propose to the Head of School, Director of Advancement, Advancement Committee, and Board of Trustees plans for a comprehensive development program, including annual, capital, and planned gift efforts;

4. To advise the Head of School and other administrators, the Board of Trustees, and other volunteers on matters relating to the cultivation, solicitation and acceptance of gifts and grants in support of the School;

5. To inform, serve, guide and assist the School’s constituents and their advisors in fulfilling their philanthropic objectives;

6. To coordinate all such fundraising efforts as may involve the several constituencies (alumni, parents, Board of Trustees, administrators, staff, faculty, friends, corporations, private foundations, etc.) of the School by matching donor interests with specific funding opportunities so that prospects and donors are not solicited by multiple individuals on behalf of the School;

7. To record, receipt and acknowledge all gifts and grants in an appropriate and timely fashion;

8. To maintain complete records of all gifts and grants received by the School;

9. To undertake research on prospects and donors so as to identify donor interests and to maintain confidentiality with regard to research findings and donor records; and
10. To report regularly to the Board of Trustees and the Head of School regarding gifts, grants, pledges and planned gift commitments received by the School.

B. Gift Acceptance Committee

The Advancement Director shall be assisted in the interpretation and implementation of these guidelines by a Gift Acceptance Committee (“GAC”) made up of the Head of School, CFO, Director of Advancement, the Chair of the Advancement Committee, the Chair of the Board of Trustees, Treasurer of the Board of Trustees, and any other person as the chair of the Board of Trustees shall designate. The GAC’s role shall be to approve gift and grant agreements, the creation of endowed funds, fair and appropriate valuations of gifts with respect to internal accounting and donor recognition and the acceptance of specific types of gifts as called for in these policies, including all gifts exceeding $50,000 in value.

C. Use of legal counsel

WIS will consult with counsel for all gifts, pledges, bequests and grants amounting to or valued at more than $500,000. Notwithstanding the amount or value of the gift, if the donor or person pledging is represented by counsel, the School will also seek representation. The Office of Advancement may choose to consult with counsel regarding any other gift, grant, or pledge, depending on the circumstances.

The School will consult with separate legal counsel in all matters pertaining to its planned giving program including the execution of agreements, contracts, trusts or legal documents. The School is not in the practice of law, and therefore, will not draft or provide any legal instruments pertaining to an individual's estate plan. In no case shall the School's attorney represent the donor. Donors and prospective donors will be advised to seek separate legal or tax counsel with respect to the tax and estate planning implications of any proposed planned gift, regardless of form.

No legal fee will be paid by the School for the drafting of wills or trust instruments on behalf of prospective donors even if the School is to be named as a beneficiary.

PART II: GIFT POLICIES, ACCOUNTING AND ADMINISTRATION POLICIES

A. Review and Amendments

1. These policies shall be reviewed every five years or more frequently as determined by the GAC or Board of Trustees.

2. The policies outlined herein may only be waived by action of the Board of Trustees except in any specific circumstances noted below for which such authority is delegated to others.

3. The procedure to amend these policies shall be as follows: Upon the approval of the Head of School, the Director of Advancement, and the CFO, the Director of Advancement will present proposed written amendments to the Advancement Committee of the Board of Trustees who shall then make a recommendation for board approval.
B. Gift Reporting

WIS is a tax-exempt 501(c)(3) public charity and donations are tax-deductible to those paying taxes in the United States to the extent of the law. The School follows gift reporting standards outlined by the Council for Advancement and Support of Education (CASE) and the Council for Aid to Education (CAE) for conducting its fund-raising activities and reporting annual results. Each year, as part of the School’s financial statements audit, the School’s fund-raising records are audited by an independent auditor in order to express an opinion on the financial statements of the School. The value of a gift credited to a donor or reported following CASE and CAE standards may not always be the value of the gift used for federal income tax purposes. Any questions which arise about the appropriate valuation of a gift for accounting purposes should be referred to the Director of Advancement or the CFO, who may seek the advice of the School’s auditors.

C. Gift Accounting


Generally, contributions received, including unconditional promises to give ("pledges"), are recognized as revenues in the period received at their fair values. Conditional promises to give, whether received or made, are recognized when they become unconditional, that is, when the conditions are substantially met and the promise becomes legally enforceable.

Currently, pledges that will be paid over a period of more than one year and which are verifiably documented and unconditional will be reflected in audited financial statements as pledge receivables.

Overdue or delinquent pledges and pledge payments are to be reviewed annually by the GAC to determine if they are collectible. Such determination will be made by the GAC after an attempt to contact the donor to assess their intention to pay. The School may exercise its discretion to write-off any wholly or partially unpaid pledges after determination that such pledges are uncollectible and that doing so will not violate fiduciary obligations or applicable provisions under the tax code. Pledges and pledge payments that are not collectible must be written off in a timely manner.

Outstanding pledges cannot be written off without proper documentation. The documentation may be from the donor requesting the pledge cancellation or internally from the Head of School and/or the Director of Advancement explaining the reason for the write off.

D. Gift Designations

Only donors may restrict (or designate) a gift. However, a donor’s restriction includes any restriction contained in the materials associated with the solicitation of the donor’s gift. Gifts which are not accompanied by or in response to a documented restriction are treated as unrestricted or as Board-Designated by the Head of School and Director of Advancement, according to the School’s priorities.

The School is not required to accept gifts, especially those which fall significantly outside of the School’s priorities, those which may cost the School money, those with conditions that are not in the best interests
of the School or those which fall outside ethical boundaries. These principles also pertain to funds raised through parent-driven fundraisers. Gifts determined by the Director of Advancement or GAC to fall outside of priorities or policies of the School may only be accepted by the Board of Trustees after review by the GAC.

The following are the general categories of gift designations to which WIS adheres:

1. Unrestricted Gifts:

An unrestricted gift is defined as a gift which has no restrictions placed on it by the donor, or which is specifically designated as unrestricted by the donor.

   a) Annual Fund: While WIS allows donors to designate Annual Fund gifts for a particular purpose, some Annual Fund gifts either have no restrictions placed on them by the donor, are designated as unrestricted by the donor, or are designated generally for the Annual Fund. Such gifts are considered unrestricted by the School and designated as current operating support. Annual Fund pledges must be fulfilled by June 30, the close of the School’s fiscal year.

2. Restricted Gifts:

If a donor designates that a gift is restricted to a particular purpose, the School will regard the request as a condition of gift acceptance. Any gifts restricted to a particular purpose will be kept for that purpose as long as the purpose relates to the school’s mission. If the purpose of a gift can no longer be achieved, the Board of Directors upon recommendation of the GAC and/or legal counsel, after consultation with the donor when possible, reserves the right to redirect the funds to a purpose consistent with the donor’s interest and the School’s mission.

   a) Gifts that have been designated by the donor to underwrite particular operating expenditures, but upon which no further restriction has been placed, e.g. designated Annual Fund gifts, are designated as current operating support.

   b) The School does not generally accept “extra budgetary” gifts (gifts restricted to a purpose outside of that year’s operating budget). If, however, the donor intends that the gift be made for “extra budgetary” use, the donor must note the restriction when the gift is made. The appropriate School official and/or the GAC will be notified of this “extra budgetary” gift to determine whether it is acceptable.

3. Matching gifts:

Unless the company specifies otherwise, matching gifts from corporations will be designated for the same purpose as the donor’s gift. The School counts matching gifts toward an individual's total contribution in the year the matching gift is committed.

4. Gifts to an Endowment Fund:

If a donor designates a gift for endowment, the School will regard the request as a condition for accepting the gift and will hold the principal of the gift in perpetuity as an asset of the School, with only a certain
percentage fixed by the Board of Trustees’ Finance/Audit Committee each year being utilized for the purposes specified by the donor. Such gifts are commingled in the School’s investment portfolio, and are subject to policies established by the School for the regulation, investment, management and expenditure of its various endowment funds.

a) The School accepts gifts restricted to its General Endowment as well as gifts to endowment funds restricted for particular purposes, including scholarships, faculty support, library and instructional resources, departmental, and other programs at the discretion of the GAC. Gifts of any size may be accepted into existing endowment funds at any time.

b) An endowment fund is considered fully funded when the value of its assets reaches $50,000, at which point it may begin to yield annual distributions. Endowment pledges can be made over a 3–5 year period. Other minimums for endowment funds can be established from time to time.

Until a new endowment fund is fully funded, the endowment principal will be held in a restricted account as a pending endowment. Pending endowment funds that do not achieve the minimum $50,000 level within five years from their creation may be combined with other endowment funds with similar purposes at the School’s discretion.

An endowment may begin yielding distributions for its designated purpose one year after becoming fully funded. The distribution of funds from endowments is governed by the School’s Investment Policy and the Uniform Prudent Investment of Institutional Funds Act, and will be determined by the Board of Trustees’ Finance Committee from time to time. In any given year, the Finance Committee may choose not to distribute any funds and reinvest the principal.

c) New endowment funds will only be accepted when they conform to the School’s mission and designated according to the School’s strategic priorities.

Generally, in order to create a new endowment, the School requires an agreement to be signed by both the donor and the Head of School or Director of Advancement which sets forth: 1) the name of the donor/donors; 2) the name of the Fund; 3) the initial amount given or pledged to establish the Fund; 4) the purpose of the Fund; 5) an understanding that the Fund's principal will be pooled with other endowments for purposes of investment and income distribution or allocation, and that the Fund will be governed by the general policies established by the Board of Trustees with regard to the spending, investment, and disbursement of the endowment, as amended from time to time; 6) an acknowledgement that if the endowment fund does not achieve the minimum level for such funds established by the School, the amounts donated may be combined with other endowment funds of similar purposes at the Schools’ discretion, and 7) that if the School’s Board of Trustees determines that the original purpose of the Fund is no longer possible to fulfill, then the Board of Trustees shall, after consultation with the donor, redirect the Fund’s income to a purpose consistent with the donor’s interest and the School’s mission.
d) A Named Scholarship providing financial aid for an individual student can be established with a minimum gift of $500,000. Half scholarships can be established with a minimum gift of $250,000. Partial scholarships can be endowed for smaller amounts, but endowed funds which do not provide sufficient funds to cover the average scholarship, determined annually, will not necessarily be associated with a particular student and may provide support for the general financial aid pool of funds available to all students.

e) A Named Scholarship will be formally established once a minimum of one-half of the gift is in hand and the remainder is included in a formally documented pledge.

f) Because of the responsibility the School undertakes when it agrees to steward an endowment fund, each fund will be reviewed from time to time for appropriateness and contribution to the School’s overall mission and long-term plans.

5. Gifts for Buildings and Named Space:

Gifts which are designated for construction or renovation of a particular facility or space will be accepted by the School only if the construction or renovation has been approved by the Board of Trustees and is regarded as a priority of the institution. In the absence of specific campaigns for building construction or renovation, all such gifts shall be referred to the GAC for review, and upon its recommendation, to the Board of Trustees for approval.

a) In the case of new construction or substantial renovation, it is the policy of the School that the naming of a building or a part thereof is determined by the GAC.

b) Pledges can be considered as part of or the entire required gift to name a space, facility or other physical space. Pledges of future gifts of uncertain value may only be used to name a space if there is a signed pledge of intent of certain value equal to the naming opportunity gift level.

c) Buildings, facilities and other physical spaces on the WIS campus are named for the life of the building, facility or space.

d) To the extent possible, renovations and facelifts of an existing building, facility or space will be accomplished in such a way that the old name may stay with the existing building, facility or space.

e) When an existing building, facility or space is demolished, moved, renovated or changed so substantially as to constitute a new building, facility or space, the School will honor the original gift and donor with a comparable designation at the discretion of the School.

f) Any change in the name of a building, facility or space will be reviewed by the Director of Advancement for adherence to these guidelines.

g) Every effort will be made to retain all commemorative plaques taken from destroyed, moved or substantially altered spaces and to display these plaques within the new facility for historical reference or within another space on campus.
h) In the event the donor does not fulfill the terms of a pledge relating to a naming opportunity, the School reserves the right, in its discretion, to remove the name of such donor from public display. (See policies regarding unpaid pledges under section II C: Gift Accounting).

i) Additional circumstances may lead to the removal of the name, including, for example, the perpetration of crimes by an individual whose name appears on any naming display, at the discretion of the School.

j) Questions regarding the School's policy on named spaces will be referred to the GAC.

6. Special Events for Fundraising:

a) All proposed special events will be evaluated and approved by the School staff for profitability, demands on staff time, availability of volunteers, public relations value, fixed costs, and conflict/competition with existing events.

b) Approved and existing special events will be analyzed by the School staff as soon as possible after completion of the event to determine if the event should take place again.

c) Events to be conducted by individuals or outside groups for the benefit of the School:

d) Must meet the same criteria as events being conducted/sponsored by the School itself.

e) May have the event proceeds designated to any approved priority of the School by the sponsoring group.

f) Must include approved School identifier (e.g. logo or trademark) on all publicity for the event and must have all publicity materials for the event approved in advance by the WIS Office of Advancement.

g) Should have all event checks made payable to “Washington International School” if it is expected that event participants will be receipted for a partial charitable gift by the School.

E. Types of Outright Gifts Received

The following non-exclusive list provides examples of the most common forms of outright gifts to the School. From time to time, changes in tax treatment result in new forms of gift vehicles or changes to existing ones. The GAC will consider gifts in a form not listed in this Policy on a case-by-case basis, and if necessary, with assistance from counsel.
1. Cash and Cash Equivalents:

Gifts by check or cash are credited at face value on the date the donor relinquished control over the asset in question (usually established by a postmark or by physical delivery to the School). For gifts of non-U.S. currency, the exchange rate on the date the School receives the gift shall be used to determine donor credit for School purposes.

Unrestricted gifts of cash and check will be accepted regardless of amount unless there is a question as to whether the donor has sufficient title to the assets and is mentally competent to legally transfer the funds as a gift to the School.

All checks must be made payable to Washington International School. In no event will the school accept or should a donor make an instrument payable to or designated to benefit a student, an employee, agent, member of the Board of Trustees, or other volunteer for the credit of the School.

Donors may also donate funds to the School by wire transfer. Wire transfer instructions are followed in accordance with our Business Office’s banking instructions.

Contributions made by wire transfer are deductible as of the date the funds are received in the School’s account.

Gifts may be made by credit card, but only in amounts of less than $10,000. The date of the charge made on the credit card is the applicable date of gift for tax purposes.

2. Pledges:

Properly documented pledges will be counted toward annual or capital campaign goals at full face value of the pledge, so long as the pledge is paid before the end of the period specified. For annual funds, pledges must be paid within the fiscal year in which they are to be credited. A pledge to make a contribution itself is not a charitable contribution and is not eligible for a tax deduction. Contributions of cash and property made to fulfill a pledge are eligible for a tax deduction in the year such contributions are made.

Multi-year pledges can be designated as unrestricted or restricted for specific purposes. Unrestricted gifts will be allocated at the discretion of the School.

If a donor wishes to add or to make a change to the designation of their pledge, only the unpaid remainder of a pledge may be re-designated, and such request must be made in writing to the Head of School and/or Director of Advancement. Approval of re-designations for pledged amounts above $25,000 is at the discretion of the GAC.

Pledges of uncertain future value, such as a pledge to deliver at a future date a specific number of shares of stock or a pledge of income from a partnership interest or copyright, may be given a value by the GAC for purposes of counting in a campaign.

For policies concerning the accounting of pledges and procedures for overdue and un-paid pledges, see section II.C.
3. Publicly Traded Securities:

Upon receipt of a gift of securities, the Director of Advancement or his/her designee shall place the securities with a recognized broker for sale. It is the general policy of the School to sell all publicly traded securities as soon as practicable after receipt. In no event will an employee or volunteer working on behalf of WIS commit to a donor that a particular security will be held by the School unless authorized to do so by the GAC.

When the School receives a gift of stock, the donor is credited with the fair market value (the mean between the high and low) of the securities on the date the donor delivered the securities to the School. The appropriate date is the date of the postmark on the envelopes of a properly executed power of attorney and stock certificate; the date the stock was hand delivered to the School; the date the securities are placed in an account belonging to the School or its agent; or the date the securities are registered by the corporation in the name of the School, if obtainable. Neither losses nor gains realized by the institution's sale of the securities after their receipt, nor fees or expenses associated with this transaction, should affect the value of the gift for tax purposes.

For detailed instructions for the sale of publicly held securities, see attached “Appendix A.”

4. Closely Held Securities:

Gifts of closely held securities may be accepted barring any restrictions on their sale and once their marketability is determined.

The valuation of securities which are not publicly traded is the responsibility of the donor. The IRS requires a qualified appraisal for gifts of closely held securities where the claimed value exceeds $10,000. Fair market value for closely held/non-publicly traded securities will be determined by a qualified appraiser in accordance to Federal tax requirements. The donor is responsible for obtaining a qualified appraisal, at his/her cost.

Closely held securities may be subsequently disposed of only with the approval of the GAC.

5. Bequests:

Bequests of any size are accepted by WIS as long as the purposes to which the funds are to be applied are consistent with this policy and the School’s mission. All unrestricted bequests will be designated at the discretion of the Head of School to support the School’s endowment, for capital projects, or, in some cases, for current operating support.

The School encourages donors to consider making provisions in their estate planning for eventual bequests to WIS, and welcomes discussion about such provisions in order to ensure that the purposes to which the funds are to be applied are consistent with the School's gift policy and its mission.

Bequest expectancies are not irrevocable, so the dollar amounts of such gifts are not usually credited to the School until they are actually received. However, under certain circumstances, donors may receive credit for bequest provisions made in favor of the School by enrolling as a member of the Cathya Wing Stephenson Planned Giving Society.
Bequest intentions may be made irrevocable in a legally binding pledge agreement completed by the donor and the School. This requires the donor to provide legal documentation of all bequests. Donors will be requested to provide the relevant page/portion of their wills to the School’s Advancement Office for their files. By signing a binding pledge enforceable against the donor’s estate, a donor may qualify for gift credit to a specific campaign, as determined by the rules for that campaign.

6. Gifts of Goods, Tangible Personal Property and Services:

Jewelry, artwork, collections, and other personal property may be accepted with the approval of the GAC. If the property is valued at more than $50,000, its acceptance will also depend on the prior approval of the Board of Trustees. No perishable property, or property that will require special facilities or security to properly safeguard it, will be accepted without prior approval of the Board of Trustees. Unless the property can be put to a related use of the School or otherwise authorized by the GAC and the Board of Trustees, the School will seek to liquidate such assets in order to secure the cash needed to fund its programmatic, facility and endowment priorities and/or to invest such assets in ways consistent with the currently authorized investment strategies of the Finance Committee and Board of Trustees.

The tax deduction for a gift of tangible personal property may be reduced to the donor’s cost basis and donors should be advised to seek tax advice prior to making such a contribution. The School will comply with tax reporting requirements relating to gifts of tangible personal property. The valuation of tangible personal property that is eligible for a tax deduction based on its fair market value is the responsibility of the donor. The Internal Revenue Service (“IRS”) requires a qualified appraisal for gifts of tangible personal property where the claimed value exceeds $5,000. The donor is responsible for obtaining a qualified appraisal, at his/her cost. In addition, the IRS requires the filing of Form 8283 by the donor for gifts of tangible personal property valued at more than $500. A copy of Form 8283 should be sent to the Advancement Office. Under certain circumstances, the School will be required to report sales of tangible personal property on Form 8282. Donors should be notified at the time of receipt of a gift that the School will, as a matter of policy, cooperate fully in all matters related to IRS investigations of non cash charitable gifts.

Gifts of services in-kind are accepted when they help the School to fulfill its educational mission through support of programs and/or facilities. Generally, the donation of services does not qualify for a charitable contribution deduction.

7. Gifts of Real Property:

Gifts of real property (land, homes, commercial structures, etc.) may be accepted by the School with prior approval of the Board of Trustees. Gifts which could involve future expenditures by the School are evaluated by the Board of Trustees for overall benefit to the School before acceptance.

Real estate will not be accepted to fund a charitable gift annuity without an opinion of counsel with respect to the laws of the state or states involved and approval by the GAC.

Each gift of real property will require a Phase I environmental inquiry, title search and appraisal, the costs of which are expected to be paid by the donor. No gift of real estate will be accepted without a certified appraisal by a party chosen by the School who will have no business or other relationship to the donor. It will also be established that the donor is mentally competent to transfer the property as a gift to the
School. In addition, the donor of a gift of real property will be required to (1) represent that hazardous substances have not been used or disposed of on the property and the donor knows of no spill into adjacent property and (2) represent that the donor has received no notice of any violation, claim or action under any federal or state environmental laws and has no knowledge of facts which may lead to such a claim.

Real estate gifts subject to a retained life estate normally will carry the requirement that the life tenant bear all expenses of the property during the tenancy.

A Bargain Sale gift of real property, which may result in a taxable sale to the donor, occurs when the School purchases real property at less than its fair market value. The gift is deemed to be the difference between the sale price and the market value. A gift of real property subject to a mortgage is also considered to be a Bargain Sale gift. The Board of Trustees will give special attention to the acceptance of real estate encumbered by a mortgage.

8. Deferred and Planned Gifts:

The School may accept forms of deferred or planned gifts to the School. The GAC will consider gifts on a case-by-case basis, and if necessary, with assistance from Counsel.

F. GIFT ACKNOWLEDGMENT POLICIES

Internal Revenue Code, Section 170(f)(8) denies donors a charitable deduction for any contribution of $250 or more unless the donor obtains a contemporaneous written acknowledgment of the contribution from the charity. WIS is in full compliance with section 170(f)(8) and it is the policy of the School to provide an acknowledgment for all gifts and a receipt for tax purposes for all gifts of any amount
APPENDIX A

PROCEDURES FOR SALE OF PUBLICLY HELD SECURITIES

Giving stocks, bonds, and mutual fund shares that have increased in value provides greater tax benefits to the donor than giving cash. Not only can the donor deduct the full market value of the securities, but also avoid paying capital gains tax on the appreciation.

1) In accordance with gift acceptance procedures, all publicly held stock should be sold immediately. Whenever possible, upon learning of a potential gift, ask the donor to have his broker call the WIS Advancement Office for these instructions. In addition, the donor should inform the Advancement Office in advance of the transfer for tracking purposes and provide the Director of Advancement with the following information:
   a. Donor name and address
   b. Number of shares and description of the security
   c. Any specific purpose for your gift
   d. The donor’s broker should transfer the stock into the School’s account in accordance with our Business Office’s banking instructions.
   e. WIS Federal Identification Number (FID) is 52-0822-077.

2) If a transfer to the WIS brokerage account is not possible, appoint the donor’s broker as agent for WIS and instruct him/her to set up an account for WIS and sell the stock immediately.

3) If transfers using stock certificates are unavoidable, the donor should send unendorsed certificates by regular first class mail along with a letter of transmittal to the Director of Advancement. Under separate cover, the donor should mail a signed stock power executed in blank for each security along with a copy of the transmittal letter. The donor should not fill in WIS’s name as transferee on either the stock certificates or stock power.

4) The value of the securities gift may be slightly different from the actual sale price. The gift value will be the median of the high and low selling prices of the stock or bond on the date of the gift.

5) Securities that have decreased in market value should be sold by the donor, and the cash proceeds given to WIS. The donor then can deduct the capital loss to offset any capital gain.