

A Policy Statement for Gifting to Dublin School Inc.



I. Introduction and Guiding Policies	Page 2.
II. Naming Opportunities	Page 3.
III. Authorization	Page 5.
IV. Valuation and Receiving Gifts	Page 7.
V. Assignment/Recording of Gifts	Page 13.
VI. Glossary	Page 16.
VII. Amendments to Policy	Page 20.

Dublin School Gift Policy
February 19, 2010 Draft
Adopted 2/20/2010

I. INTRODUCTION and GUIDING POLICIES

Dublin School strongly seeks and encourages gifts to enhance the educational purposes of its Mission and Vision Statements. The School's ability to foster and maintain excellence is highly dependent on private contributions and designated endowment income. Gifts of cash, securities and other forms of property are welcomed to defray operating expenses, fund necessary capital projects, strengthen the endowment and assist in a variety of special purposes that reflect both the interests of its donors and the needs of the School.

The following pages will outline policies regarding the types of assets and forms of gifts which will satisfy a donor's philanthropic goals and those of the School. The ideal gift is consistent with the donor's intent and also supports Dublin's stated goals and programs without imposing undue financial or legal burden on the School or the donor. These guidelines are intended to be both realistic and flexible to:

- Provide the School's trustees, management, development staff, and volunteers with guidelines for assisting prospective donors, their families and advisors in making gifts to the School.
- Clarify the administrative responsibilities and procedures developed in connection with the School's fund raising programs, ensuring that the terms of a gift are not discriminatory.
- Facilitate appropriate management and use of gifts received by the School.
- Accommodate unpredictable situations and opportunities as well as variability in donors' expectations.

These guidelines should be read and applied for the overall purpose of consistent growth in all areas of gifting to Dublin School through intelligent and sensitive cultivation and stewardship of its donor base. The Development Process is never ending. It is hoped and expected that these guidelines will complement donors' engagements with the School, while informing trustees, administrators, staff, faculty and volunteers as to best practices of donating and receiving every gift. Interpreting and applying these guidelines properly will be important to the initial and continuing philanthropy of donors; and facilitate good will and trust in the relationships between the School and its entire community.

Dublin School recognizes that donors have differing reasons for their generosity. In some instances, donors have a particular interest in benefiting the School in the current academic year. In others, they may be interested in providing a multiyear or permanent benefit to the School. Likewise, donors may want to create funding for a particular area of interest such as financial aid, particular academic programs, arts or sports programs or capital building commitments. The School will work with donors in order to meet their intent while supporting the School's stated goals and programs.

That said, however, the most useful gifts to the School are those which are unrestricted or have the fewest possible restrictions. Unrestricted gifts allow the School to address its most pressing needs, when and as the Head of School and Board of Trustees deem

appropriate. Therefore, to the extent that any gift is received by the School without explicit restriction, it will be deemed to be an unrestricted gift and applied as described below.

Gifts to the “Annual Fund” program of the School will be used exclusively toward the support of annual operations of the School within the School's fiscal year that such gift is received. (The fiscal year ends on June 30.)

Any unrestricted gift of \$5,000 or less which is not given to the “Annual Fund” program will be designated to general operating needs or the Head's discretionary fund and will not be counted towards Annual Fund totals.

An unrestricted gift over \$5,000 which is not given to the “Annual Fund” program will be deemed to be an unrestricted long-term gift to the School and will be applied either (1) to increase the School's long-term endowment funds or (2) to purchase assets which will benefit the School for a period of not less than five years. The decision of how to apply gifts of this nature will be made by the Head of School with the consent of the Board President, while gifts over \$15,000 will require the approval of the Board of Trustees.

In certain exceptional circumstances of financial need, unrestricted long-term gifts may be loaned or applied to the annual operations of the school. In order for unrestricted gifts to be so applied, such use must be approved by the Board based on a recommendation from the Head of School. It is recommended that the Head of School with the Finance Committee develop a long-term budgetary plan to repay such funds.

II. NAMING OPPORTUNITIES

A. General

1. The School encourages the naming of facilities and endowed funds in recognition of gifts made to the School.
2. Naming opportunities are available for endowed funds, buildings, rooms, facilities or other capital projects for which the Board of Trustees has authorized construction or has approved for donor recognition, memorial, or other purposes.
3. The Director of Development is authorized to develop and revise, for Board approval, lists of gift opportunities, with an indication of the amounts suggested for naming.
4. The Head of School will recommend, for Trustees' approval, all major naming opportunities for buildings, centers, or other large projects, or, if conditions are attached to a gift that may have a large financial impact, affect the public image of the School, or a major program.

5. Planned gifts are eligible for approved naming opportunities if the remainder value equals or exceeds the minimum amount suggested to name a gift or if the gift is designated for an endowment purpose such as financial aid.

B. Minimum Amount Suggested to Name Facilities or Other Capital Projects

Subject to the approval of the Board of Trustees, naming opportunities may be provided to donors who contribute an appropriate percentage of the present value of the costs of a room, exhibit, or project including architects' fees and costs associated with site development, landscaping, furnishings and equipment and in some situation ongoing maintenance and upkeep.

C. Minimum Suggested to Establish or Name Endowed Funds

1. Named endowed funds will generally be established for gifts of \$50,000 and above. The School, however, may approve the establishment of named or memorial funds upon the receipt of gifts or bequests in specified minimum amounts for specific purposes. These minimum amounts will generally be set at approximately twenty-five times the required income value. Upon occasion, endowed funds may be established at less than the suggested amount when the donor's written or verbal intent is to meet the expected funding requirement within five years. Such named funds must be approved by the Head of School.

2. If, after five years, the gifts received for a fund are not sufficient to establish the named endowed fund intended by the donor, the Development Office will contact the donor to discuss alternate naming opportunities. If the donor is not available, the Head of School, in consultation with the Board, will determine how the funds will be managed in accordance with legal requirements. Solicitation discussions and materials should clarify that gifts to a specific fund are subject to this contingency

3. Named endowment funds are subject to changes in use if the stated purpose of the fund becomes impractical, impossible or obsolete, or it becomes advisable to deviate from the express purposes of the gift to further the mission or programs of the School. Solicitation discussions and materials should make it clear that gifts to a specific fund are subject to this contingency.

4. Whenever an endowment fund is established to support a new activity (i.e., an activity not provided for in the current operating budget,) the new activity shall begin only after the endowment fund balance reaches an appropriate percentage of the amount required for that activity as determined by the Finance Committee of the Board of Trustees.

D. Minimum Required to Establish or Name Non-Endowed Funds

Named non-endowed fund may be established to contribute funds annually to a specific part of the School's programs or operations (e.g., a named concert series or

named professional development grants for teachers.) Such a gift is subject to approval by the Head of School prior to its acceptance. In general, a donor may establish such a fund in conjunction with the Development Office with a minimum gift or pledge of \$20,000, and the gift or pledge should equal the amount necessary to fund a specific program for at least four years. The Development Office will update a donor on the status and use of the fund each year until the fund has been depleted. When the balance of a named non-endowed fund reaches zero, the named fund will be retired and the Development Office will inform the donor and discuss new opportunities for giving to Dublin.

III. AUTHORIZATION

A. The Board of Trustees has full and final authority over all policies and procedures for solicitation activities and acceptance of all gifts to the School. The Head of School has the final administrative authority to implement policy and make decisions. The Head may delegate certain responsibilities and decision-making to others as set forth in these guidelines.

B. All fund-raising efforts, campaigns and appeals made on behalf of Dublin School must be approved by the Head of School and the Board of Trustees to insure that only authorized appeals are made in the School's name and to avoid multiple appeals to a single donor. Only the Head of School or designee is authorized to receive gifts, and only in accordance with guidelines stated in this document.

1. All general or group solicitations of funds for specific purposes by any staff, department or operating unit of Dublin School must be pre approved by the Head of School or the Director of Development.

2. Solicitation of all gifts from individuals, foundations or corporations must be cleared through the Head of School or Director of Development.

C. Fund-raising consultants, individuals or firms, may be hired to work for Dublin School or any department thereof, but only with the approval of the Head of School.

D. The Development Office reports to the Director of Development and is responsible for the following functions:

1. Coordinating and managing the solicitation, receipt, acknowledgment, documentation and stewardship of all gifts to the School;

2. Transmitting and documenting cash and non-cash gifts to the Business Office for timely deposit and safeguarding of gift receipts;

3. Documenting all pledge and gift receipts for input into the financial accounting system;

4. Following-up on and collecting pledge payments; and implementing and enforcing the Gift Policies as adopted by the Board of Trustees.

E. Dublin School's financial records and statements are produced in accordance with Generally Accepted Accounting Principles (GAAP) and Financial Accounting Standards Board (FASB) pronouncements. For financial statement purposes, the Business Office is responsible for accounting for gifts in accordance with these guidelines. More information regarding accounting practices and records is available from the Business Office.

F. When appropriate, the School may engage counsel to advise School personnel with respect to certain aspects of a proposed or existing gift. These circumstances may include:

1. Review of gifts of closely held or restricted securities, real estate, or other assets that are not readily marketable;
2. Review of transactions imposing contractual obligations or restrictions on Dublin School or its use of the gifted assets;
3. Other forms of gift agreements
4. Coordination with requirements of bond financings and debt covenants entered into by Dublin School, if any.
5. Review of transactions with potential conflicts of interests; and
6. Other circumstances where the Trustees (or committees thereof), Head of School, Director of Development, or Business Manager feels appropriate.

G. Requests for waivers of these guidelines will be directed to the Head of School for review. The Head shall consult with the Finance Committee and/or the Board of Trustees for approval to grant exceptions to the policies contained herein, as deemed appropriate under these guidelines. The Director of Development, Development Committee and Business Manager will be consulted, as necessary or appropriate, on a per case basis.

H. Dublin School reserves the right to decline any proposed gift that is deemed by the Head of School, the Finance Committee or by the Board of Trustees not to be in the best interests of the School or is inconsistent with its mission, program or strategic goals.

I. The integrity of donors and their records will be a high priority of the school. All requests for anonymity will be observed. No person, other than authorized staff, will have access to individual donor files. Appropriate biographical and financial information will be shared with volunteers only when relevant to fundraising programs.

J. Any formal changes made to the gift policies that follow will be made only after a majority vote of the full Board.

VI. VALUATION AND RECEIVING OF GIFTS

A. General

1. Gifts will be valued for the purpose of recording in the books of record on the date they are transferred to and accepted by Dublin School in accordance with the School's policies. The donor is responsible for supplying and signing all legal documents necessary or advisable in connection with the transfer of any property to Dublin School.
2. Dublin School will value gifts in accordance with its internal procedures reflecting, in general, the reporting standards of the Financial Accounting Standards Board (FASB). Such valuation and credit will be independent of the valuation and date of the gift as reported by the donor to the Internal Revenue Service, or the value placed on the gift by the Internal Revenue Service for federal income tax purposes. Such valuation may also differ from valuation for financial statement purposes as required by the FASB.
3. Gifts of Real Property will be credited at their fair market value, undiminished by selling costs, as determined by a qualified independent appraiser retained by the donor.
4. Gifts of Tangible Personal Property will be credited at their fair market value, undiminished by selling costs, substantiated by an appraisal supplied by the donor if the value is greater than \$5,000.
5. Gifts of Securities will be mean market value on date of transmittal.
6. Gifts of life insurance will be cash surrender value/value of premium payments as paid.
7. Restricted Gifts are accepted if they are consistent with the mission, goals and programs of Dublin School. Restricted gifts are placed in restricted budget accounts and used only for the designated purposes of the gifts.
8. Dublin School reserves the right to decline non-cash gifts or illiquid assets accompanied by a liability. No gift of real or personal property will be accepted if such acceptance would cause Dublin School to incur a financial or other obligation (to display, store, insure, clear of legal restrictions, sell, etc.) which the Head of School or Business Manager deems to be burdensome. Any proposed gift of an illiquid asset shall be discussed with the Finance Committee. In the event the Head of School or other officer of Dublin School should wish to accept a financial or other obligation, it shall be so recommended to the Finance Committee and if appropriate, the Board of Trustees for review and approval.

9. Dublin School reserves the right to dispose of gifts of property (including real property, securities, and other personal property) at any time unless otherwise agreed to with a donor. Generally, the School will sell any asset as soon as practicable after receipt. No commitment will be made regarding the retention or investment of a gift asset unless specifically authorized by the Head of School, in consultation with the Finance Committee or Board of Trustees, as appropriate. Where such a commitment is important to the donor, the gift will be referred to the Head of School who will then seek the appropriate level of review and approval before authorizing a commitment to retain or sell a gift asset.

10. The Development Office should be consulted in connection with the proper disclosure and communication with the donor and with the requisite tax filings. In any event, attention must be paid to the wishes of the donor, who should be thoroughly informed. Future generosity depends on each donor's positive feelings about Dublin School.

a. Realized gains or losses, and any fees incurred by the School in the disposition of the asset, or the maintenance of the asset until sale (e.g., utilities, taxes, insurance, etc.) will be added to or deducted from the amount available for the purpose designated by the donor. Neither gains nor losses realized by Dublin School's sale of a non-cash gift will affect the value credited toward fund-raising goals.

b. The responsibility for substantiating the value of any gift to the Internal Revenue Service belongs to the donor. School representatives, or persons retained by Dublin School, are not authorized to perform valuations or appraisals of a gift of property for a donor's tax purposes.

c. Dublin School does not provide tax, financial, or legal advice to donors. The School strongly recommends that donors seek advice from professional financial advisors or attorneys.

B. Gifts of Real Property

1. Absent any special reason for retaining the gift property, the property will ordinarily be sold by Dublin School after acceptance, except for property to be used directly for institutional purposes as determined by the Head of School and approved by the Finance Committee and Board of Trustees.

2. Donors may contribute real estate as a fee interest, as a life estate, or as a life income gift. In offering the gift, a donor must provide a qualified third-party appraisal of the property's fair market value.

3. Prior to acceptance, the property should be thoroughly investigated as to any possible uses by the School, and especially with regard to any environmental or marketability issues. The donor is responsible for obtaining a real estate property disclosure checklist containing the following:

- a. General description of property
 - b. Title of ownership
 - c. Date of acquisition and cost basis
 - d. Value of land versus value of buildings
 - e. Complete mortgage information
 - f. Form of acquisition
 - g. Property tax assessment
 - h. Zoning restrictions
 - i. Environmental history
 - j. Deed containing deed restrictions
 - k. Tenant information
 - l. Appropriate documentation if property is part of a condominium or cooperative
4. The donor is responsible for all costs, expenses and taxes incurred by the donor in maintaining the property or securing proper and legal documentation, until legal transfer of the property is completed. The costs of the environmental site assessment will be paid by the donor. The environmental site assessment must be less than 6 months old on the date of transfer.
5. Any consequences of defective title must be disclosed to Dublin School prior to acceptance. Title to property that is contaminated with hazardous waste cannot be accepted by the School.
6. Consideration must be given to the costs of holding and maintaining any gift of real property prior to its sale. When appropriate, the donor will be approached to supplement the gift of real estate with cash or securities to cover operating costs and expenses.
7. Holding real property especially that subject to a mortgage, may raise issues related to unrelated business income, taxable to Dublin School. Unrelated business income issues will be considered prior to acceptance of the gift. Real property subject to a mortgage will not be accepted in connection with the funding of a Charitable Remainder Trust.
8. The Business Manager is responsible for performing due diligence procedures in order to recommend accepting gifts of real property or may delegate authority to a committee appointed by the Business Manager and the Head of School. The Business Manager is responsible for recommending acceptance of any such gift to the Head of School. The Head of School is responsible for accepting gifts of real property subject to the prior approval of the Board of Trustees. Title will not be transferred or acknowledged until after acceptance of the gift of real property in accordance with this policy. The gift will be completed by the execution and delivery of a deed and written acceptance by Dublin, together with such other instruments, releases, consents and deliveries as may be required by Dublin. The costs associated with the conveyance and delivery will be paid by the donor unless otherwise agreed upon.

C. Gifts of Tangible Personal Property

1. Gifts of Tangible Personal Property that are readily marketable (sold or traded on the open market) or useful in carrying out the mission of Dublin School will be accepted. The School reserves the right to sell personal property at any time unless otherwise agreed to with the donor.
2. The Head of School is authorized to accept gifts of tangible personal property on behalf of Dublin School, except where such gifts pose unreasonable constraints or conditions upon Dublin School or would not be in accordance with the School's capacity to provide the appropriate care for such property.
3. If the acceptance of a gift of personal property will commit Dublin School to a financial or other obligation, the Head of School will seek the appropriate level of Board review and approval before authorizing acceptance of the gift. The Head of School should consider the following:
 - a. Can Dublin School use the assets in connection with its mission and programs?
 - b. Are the assets marketable?
 - c. Are there any unreasonable restrictions on the use, display, or sale of the assets?
 - d. Are there any carrying costs associated with the assets (e.g., insurance, lease, space, maintenance, appraisals, etc.)?
4. Items donated in connection with a special event, such as an auction, are exceptions to this policy and fall under the procedures adopted for such special event.
5. Gifts of tangible personal property with an apparent market value exceeding \$5,000 will ordinarily be credited at the value placed upon them by a qualified independent appraiser. It is the donor's responsibility to obtain and bear the cost of the qualified independent appraisal. The appraisal must be dated no more than sixty (60) days prior to the date of the gift. Gifts of tangible personal property with a value in excess of \$5,000 may only be accepted upon written notice to the donor of the terms of this paragraph.
6. Sale of tangible personal property by Dublin after its receipt as a gift may affect the donor's income tax deduction. Dublin is required to fill out Form 8283 if the property is sold within three years of date of gift. All IRS forms requiring execution by the school will be signed by the Business Manager.

D. Gifts of Securities

1. Gifts of securities include marketable securities, options and closely held stock. It is the policy of Dublin School to immediately sell marketable securities upon their receipt as a gift. Any restrictions by the donor on the management or investment of a gifted security will be referred to the Finance Committee prior to acceptance of the gift. If a donor requests that the School hold marketable securities, such retention shall require express approval by the Finance Committee, and the terms of their retention and timing of the eventual sale of such securities shall be discussed in detail by the Finance Committee as to whether such terms and the delay in sale is in the interest of the School.

2. The Director of Development is responsible for accepting gifts of marketable securities in accordance with established School policies.

3. Acceptance of gifts of non-marketable securities require the approval of the Head of School, the Business Manager, and the Chair of the Finance Committee. Consideration should be given to any restrictions on sale and whether the sale will generate any adverse tax consequences to Dublin School (for example, in connection with the sale of stock of an S corporation). Consideration shall be given as to the market for sale of any closely held securities prior to their acceptance.

4. All marketable securities will be valued for School purposes at the mean market values on the date of transfer. The date of transfer is the date that: 1) the mailed stock certificate and a properly endorsed stock power are postmarked. If postmarks on the documents differ, the later date will determine the date of transfer; or 2) the physical certificate and the properly completed transfer documents (i.e., stock power) are received by Dublin School, or its broker; or 3) the electronically transferred securities are deposited in Dublin School's brokerage account or delivered to the School's agent.

5. Securities not negotiable on the date of delivery will require a qualified appraisal furnished by the donor to determine the value of the stock for School purposes.

6. Gift of partnership interests or S corporation stock or other gifts that may generate unrelated business taxable income to Dublin will be credited for School purposes at their value net of any cost or tax liability to Dublin. Dublin will not enter into any indemnity agreements with respect to any gift absent express approval of the Finance Committee.

7. Gifts of otherwise publicly traded securities that are subject to tender offers or securities law restrictions may present peculiar tax or administrative issues for the donor and/or for Dublin School that may be referred to the Finance Committee prior to acceptance of the gift.

E. Gifts of Life Insurance

1. Dublin School must be assigned as both an irrevocable beneficiary and owner of an insurance policy before a policy can be recorded as a gift.

2. The current cash surrender value of the policy will be credited toward fund-raising goals. If the donor pays further premiums on the policy, Dublin School will include the entire amount of the premium payment in its gift totals. If Dublin School pays the premiums, it will treat those payments as operating expenditures and not record increases in the cash surrender value as gifts.
3. If a donor pays future premiums on a policy with no cash surrender value, only the future premiums will be recorded as gift receipts.
4. Regardless of whether the donor or Dublin School pays the premiums on a policy Dublin School owns, the difference between the cash value and the insurance company's settlement at the donor's death should not be recorded as a gift, but as a gain on the disposition of assets.
5. In cases where Dublin School receives the proceeds of an insurance policy in which it is named beneficiary but not the owner, the full amount received will be recorded as an estate gift on the date the proceeds are delivered.

F. Gifts in Trust/Planned Giving

1. Planned Giving allows a donor to make a gift in which the commitment to Dublin School is made in the present, but the School's receipt of funds from the gift may be delayed until a future time or the gift may offer benefits to both the School and the donor or other named individual beneficiaries.
2. The Director of Development and the Development Committee will determine the appropriate minimums for planned gifts in light of administrative costs, donor intent and Dublin's needs. All planned gifts should be based primarily on the donor's charitable intent to benefit Dublin. Planned gifts will be encouraged under the following minimums and valuations:

<u>Vehicles</u>	<u>Minimum Initial Investment</u>	<u>Gift Credit/Age</u>
Bequest	n/a	Present value of the future interest using IRS tables of life expectancy.
Charitable Remainder Unitrust	\$100,000	Fair market value of assets in trust (Donor must be at least 65)
Charitable Remainder Annuity Trust	\$500,000	Fair market value of assets in trust (Term not to exceed 20 years or life of beneficiary)
Residence/farm with Retained life estate	n/a	Remainder Interest

3. Donors under the age of 65, who establish life income gifts for their own benefit (and that of their spouse, if applicable) will receive gift credit for School purposes, based upon the present value of the future projected value of the trust. For purposes of this calculation, the discount factor will be the prevailing federal FAR, and IRS mortality tables will be used to calculate life expectancy. The growth will be projected based upon the historical returns of the asset classes selected for investment.

4. Donors wishing to establish a life income gift for the benefit of a third-party beneficiary (other than a spouse) will receive full gift credit if the beneficiary is over 65 years of age. If the beneficiary is under 65 years of age, the donor will receive gift credit based on the present value of the future projected value of the gift.

5. Dublin School encourages donors interested in a planned gift to seek the advice of their own counsel as how best to structure a gift from a tax and financial planning perspective. Where appropriate, Dublin School may refer a question or issue posed by a proposed gift to its own fundraising or legal counsel to help best structure the gift for the benefit of the donor and the School or for advice as to whether to pursue a planned gift opportunity. Decisions as to when to engage counsel in this role shall be made by the Head of School or Director of Development, with notice to the Business Manager.

6. Dublin School will not serve as the trustee of an irrevocable trust without the specific approval of the Finance Committee. When a proposed trustee relationship is being considered by the Finance Committee, the Committee will presume that it is not in Dublin's interest to serve as a trustee of a charitable remainder trust that pays more than a 5% unitrust amount to the individual beneficiary. In appropriate cases, when requested, Dublin will refer life income donors to outside professionals who may assist them in establishing trust documents and/or trustee relationships.

V. ASSIGNMENT AND RECORDING OF GIFTS

Gifts raised by Dublin School's development program serve several broad, general purposes: budget support/relief and new programs or program enhancement. All solicitations for gifts fall into these broad categories. While it is crucial that the School sustain and increase gifts for budget support/relief, periodic special projects or "campaign" fund-raising will result in restricted gifts. During the course of a special, capital, or comprehensive campaign, gifts will be solicited for a variety of purposes, according to both the needs of the School and the interests of the donor. Best efforts will be made to seek and receive gifts that place the least possible restriction on all gifts, so long as the absence of restriction fulfills the expressed or known desire of the donor. The School's financial records and statements will comply with the general guidelines of the FASB. The FASB Board has recommended that revenues and changes in net assets be classified into three broad categories: unrestricted, temporarily restricted, and

permanently restricted. Within these broad categories, however, institutions may, at their discretion, maintain "disaggregated" information as to particular, planned uses of funds. Accordingly, reference is made below to traditional designations which correspond both to the School's stated and ongoing planning objectives, and to donor interest, understanding that they will be reflected on the School's financial statements in the three broad "aggregated" categories.

A. Gift Assignment, General

1. All gifts received will be assigned to a specific restricted or unrestricted gift category.

B. All gifts will be recorded by the Development Office and will be recorded by donor, by date, by type of gift, by purpose and by solicitation program (e.g., Annual Fund, Capital Campaign, etc.).

2. In addition to recording all gifts, all documents related to a gift (e.g., wills, trusts, deeds, annuity agreements, contracts, correspondence establishing gift conditions, etc.) will be retained by the Business Office. Copies of relevant documents will be provided to the Development Office and the Head of School's Office where appropriate.

4. Under corporate matching gifts programs, matching gifts will be credited to the fund-raising program and to the purpose for which the donor's gift was made, as long as it is consistent with the company's policy.

5. During the course of a capital campaign, all gifts given in support of campaign objectives will be recorded against campaign goals. The Development Office may record non-qualifying gifts separately as a measure of total fund-raising activity.

6. Adjustments of incorrect postings may be made by the Business Office upon receipt of proper donor documentation.

B. Considerations in the Assignment of Restricted Gifts

1. All restricted gifts will be recorded according to the assigned restricted purpose category. The donor's written instructions shall be made part of the permanent record.

2. Any restriction imposed by the donor must be approved by the Head of School.

3. Whenever possible, Dublin School will incorporate language in deeds of gift that allow the School freedom of future use in the event that the donor's original intention becomes impractical, impossible or obsolete. (For example, "If, in the opinion of Dublin School's Board of Trustees, all or part of the income or principle of this gift cannot be usefully applied to the above purpose, it may be used for any related purpose the Board of Trustees feels most nearly accomplishes the donor's wishes.") In such circumstances, if possible and practical, Dublin shall inform the donor(s) of the related purpose.

4. Should ambiguities regarding a gift's restricted purpose exist, they will be resolved by the Development Office, in consultation with the donor, and Dublin School's legal counsel where necessary.

5. Funds received for restricted plant or endowment purposes and expected to be held long enough prior to expenditure to accrue income will retain that income for the benefit of the restricted purpose.

C. Assignment of Unrestricted Gifts: Special Cases

1. The Board of Trustees of Dublin School or its designee may internally designate unrestricted gifts to specific purposes. The Development Office and the Business Office will record these gifts in accordance with the purpose assigned, using the following guidelines.

2. Annual Fund gifts with no donor-imposed designations will be credited to the unrestricted gift income account and credited toward Annual Fund program goals.

3. Special or campaign gifts with no donor-imposed designations will be credited towards campaign goals and will be recorded accordingly in Dublin School's accounts.

4. Undesignated bequests will be assigned as follows:

a. Amounts from an estate totaling under \$5,000 will be designated to general operating needs or the Head's unrestricted discretionary fund and will not be counted towards Annual Fund totals.

b. Amounts from an estate totaling \$5,000 or more will be treated as a board designated fund for such uses as determined by the Board of Trustees, based on a recommendation from the Head of School and the Finance Committee.

c. The threshold amount of this policy is subject to review and revision by the Head of School and the Board of Trustees.

D. Gift Reporting

A complete understanding of the impact of fund-raising results requires a review of both fund-raising and financial statements. The Business Office will report to the Board annually the impact of capital and annual fund fundraising, both past and planned, on the annual operating and capital budget process.

E. Pledges and Letters of Intent

1. The Development Office will maintain all pledge documentation.

2. Pledges for special projects or capital campaigns will generally be limited to five years. The Head of School must approve pledges of longer duration.
3. Only those gifts and pledges actually received or committed during the specific period of time identifiable for the campaign should be counted for the campaign. Payments made after the campaign accounting period on pledges made during a campaign period will be credited to the campaign.
4. A letter of intent may be used to further solidify a donor's intention to make a gift. Such letters will be kept on file in the development office. Such gift intentions may not be credited to fund-raising goals prior to the receipt of a written pledge or the gift.
5. A bequest intention shall be recorded as a pledge for the purpose of campaign credit when the following, three conditions are met: 1. The donor must have either reached the age of 70 during the course of the campaign or be a member of the fiftieth reunion class. 2. The commitment must have a specified amount or percentage of the estate stated in the will based on a credible estimate of the future value of the estate at the time the commitment is made. 3. Dublin School must have a letter of intent verifying the commitment in the form of a letter from the donor or the donor's attorney.

VI. GLOSSARY

A. General Definitions

1. The legal name of the institution is Dublin School. In gift documents, care should be given to identifying Dublin School to avoid the possibility of confusion with institutions in other cities.
2. A gift is defined as a voluntary, irrevocable transfer of assets from an individual or private organization to Dublin School.
3. A non-cash gift refers to a gift of any asset other than cash or check. This includes marketable securities, closely held stock, real estate, tangible personal property, and life insurance.
4. A gift-in-kind is a gift of tangible items, such as equipment or supplies, as well as contract or professional services.
5. A pledge is defined as a written statement of an intention to make a gift or grant signed by the donor or her/his authorized agent.
6. A letter of intent is a non-binding, written statement of a donor's intention to make a gift.
7. A bequest is defined as a gift by will of personal or real property.

8. A bequest intention is the written notification by a donor that Dublin School is a beneficiary of a donor's estate.

9. A grant is defined as a voluntary transfer of assets or awards for specific or general purposes to Dublin School from a corporation, foundation, government agency, or association.

B. Definitions of Non-Cash Gifts

1. Real Property is defined as land, buildings erected on or affixed to land, and rights (e.g., mineral, air, water) and easement connected with land.

2. Tangible Personal Property is defined as movable and physical objects such as works of art, books, antiques, furniture, merchandise, equipment, clothing, or animals.

3. Securities are defined as marketable securities, options, and closely-held stock.

C. Types of Gifts

1. Annual Fund.

These gifts are used for current operations and are included as part of the School's overall budget, which is approved by the Finance Committee and the Board of Trustees. Annual Fund dollars are spent in the fiscal year in which they are received. Annual Fund goals are set by the Development Committee, Head of School, Business Manager, and Finance Committee, subject to final approval by the Board in connection with its approval of the annual budget.

2. Capital Gifts.

Periodically, at the direction of the Board of Trustees, Dublin will conduct a capital initiative for new construction, renovation, endowment, and major equipment. The goals for each campaign will be established by the Board of Trustees. Capital campaigns will be conducted by the Development Office and, as may be necessary, with the use of outside consultants.

3. Purpose Restricted Gifts.

Purpose restricted gifts are accepted if they are consistent with Dublin's mission, goals, and programs. Restricted gifts are placed in restricted budget accounts and used only for the designated purpose.

4. Endowment Gifts.

Endowment gifts (where the donor restricts the use of principal) may be made for the general endowment fund or for one or more specified purposes. When no fund is

specified, gifts are placed in the overall endowment. There are guidelines for gifts of specific minimum levels to effectively sustain these programs which will be periodically reviewed. In connection with any endowment or restricted purpose gift, it is critical that the donor's intent be clearly stated in the written documentation and understood.

Whenever possible, Dublin School will incorporate language in instruments of gift that allows it the freedom of future use in the event that the donor's original intention becomes impractical, impossible or obsolete. (For example, "If, in the opinion of Dublin's Board of Trustees, all or part of the income or principal of this gift cannot be usefully applied to the above purpose, it may be used for any related purpose the Board of Trustees feels most nearly accomplishes the donor's wishes.") Gifts for endowment funds connected to a school award or financial aid will be accepted with the understanding that recipients of any such award will be determined solely by the appropriate school selection committee. Unless otherwise specified by the donor, principal appreciation on endowed funds is to be held for the purpose of the endowed fund, subject to Dublin's spending and investment policies and applicable law. All endowment funds may support a proportionate amount of Dublin's costs in managing and investing its endowment funds and other financial assets.

5. Administration of Endowment and Restricted Funds.

Dublin administers its restricted and endowment funds in accordance with its spending and investment policies and applicable law.

6. Corporate Matching Gifts.

Matching gifts from corporations will be combined with a donor's personal gift for purposes of recognition, gift club membership and named gift opportunities, unless it is against the stated policy of the corporation. Corporations will also be receipted and recognized for their matching contributions per their instructions.

D. Definitions of Planned Gifts

1. Planned Gift is a gift in which the donor makes a commitment to Dublin School, but the receipt of funds from the gift may be delayed until a future time, or the gift may be structured to benefit both the School and the donor and his or her spouse or others. Types of planned gifts may include Bequests, Charitable Remainder Trusts, Gift Annuities, Pooled Income Fund gift and other vehicles.

2. Charitable Remainder Unitrust is a trust that provides income to beneficiaries based upon annual valuation of the trust's assets. At the time the unitrust is created, the donor specifies a fixed percentage of not less than five percent to be paid to income beneficiary(ies) for life or for an expressed number of years up to 20 years.

3. Charitable Remainder Annuity Trust is a trust that pays the income beneficiary(ies) a fixed dollar amount annually, no matter how much the trust earns. The amount must be specified in the trust instrument as either a dollar figure or a percentage (not less than five percent) of the initial value of the asset used to fund the trust.

4. Charitable Gift Annuity is an irrevocable promise by the School to pay a fixed amount annually for the life of a donor, or the donor and a surviving beneficiary, in exchange for the gift of property to the School.
5. Deferred Charitable Gift Annuity is a charitable gift annuity under which the fixed payments to the donor do not begin until a specific date in the future.
6. Charitable Lead (Income) Trust is a trust that pays income to Dublin School for the life of the trust, after which time the principal is paid back to the donor or to others of donor's choice.
7. Retained Life Estate is a gift of a residence or farm to Dublin School where the donor reserves the right to occupy or use the property for life, or for the lifetime of more than one tenant, after which the residence or farm becomes the property of the School.
8. Pooled Income Fund is a trust to which several donors make gifts and that pays income to the donors (or their designated beneficiaries) for the terms of their lives.

E. Definitions of Unrestricted and Restricted Gifts

1. Unrestricted Gifts are those given by donors with no limitation, prohibition or constraint on the specific purpose or use of the gift funds regardless of any subsequent designation by Dublin School.
2. Restricted Gifts are those given by a donor for a purpose specified by the donor.
3. Temporarily Restricted Gifts are gifts with a donor-directed purpose that has yet to be fulfilled or a gift subject to restrictions that will lapse or expire upon a certain event. For instance, a gift restricted for use in building a new structure will not be used until Dublin School needs the funds to begin construction. Likewise, a gift restricted to support a new program may not be expended until the program is ready to be implemented.
4. Permanently Restricted Gifts are gifts that must be maintained in perpetuity by Dublin School. They may be limited by donor-directed conditions that neither expire over time, nor can be removed by the School, except as provided by law. Dublin School has an endowment spending policy that determines the level of distributions, from restricted endowment funds in accordance with applicable law. Examples include endowed funds, which may be further defined as follows:
 - a. Endowment, Unrestricted Income are gifts permanently restricted by donors for endowment but not bearing any restriction from the donor as to the use of the income the endowment produces.

b. Endowment, Restricted Income are gifts permanently restricted by donors for endowment with their income restricted to a specific use, such as student scholarships, faculty support, program support or other purposes.

5. Whenever possible, Dublin School will incorporate language in instruments of gift that allow the School freedom of future use in the event that the donor's original intention becomes impractical, impossible or obsolete. (For example, "If, in the opinion of Dublin School's Board of Trustees, all or part of the income or principal of this gift cannot be applied usefully to the above purpose, it may be used for any related purpose the Board of Trustees feels most nearly accomplishes the donor's wishes.")

VII. AMENDMENT OF THESE GUIDELINES

These guidelines are intended only for the internal purposes of Dublin School and do not create rights in any third party. They may be changed or modified at any time without notice to any third party by the Board of Trustees. These guidelines supersede all existing gift policies at Dublin School; they are subject to change, in keeping with the School's mission and programs, without prior notice by Dublin School.