



Major Gift Campaign: Gift Acceptance and Recording Policies

Gift Guidelines

This document defines how gift commitments to the Future of Chiropractic Strategic Plan Project (The Project) will be recorded for gift counting purposes to measure the success in achieving fundraising goals for the Strategic Plan and to ensure that donors are recognized appropriately for their contributions. The policies will be effective as of July 1, 2021 upon recommendation by the Fundraising Committee and approval by the Leadership Committee, and ChiroCongress & ChiroCongress Cares (Fiscal Agents).

Chirocongress, ChiroCongress Cares and its subsidiaries reserve the right to decline gifts/donations at its sole discretion if the acceptance of such gift/donation has the potential to run counter to the values or goals of the non-profit organizations, or if the donation leads to legal obligations that the nonprofit is not otherwise ready to handle, or if the nonprofit is simply not equipped to either use or dispose of such donation.

1. Two general categories of gifts will be counted toward The Project goals: 1) cash gifts (including pledges of cash) and 2) deferred gifts. Separate accounting categories will be created for 'In-kind gifts', 'Grants' and 'Assets Held in Trust by Others for the Benefit of The Plan.' Totals for each category will be reported, with the sum of the categories comprising the total for The Project.
2. Cash gifts to The Project will include pledges and outright gifts made starting November 6, 2019. New pledges to capital, endowment, and any annual priority of The Project will be included in the The Project totals.
3. Annual Fund gifts will not be included in the The Project totals; however, at the discretion of the Fundraising Committee, be applied and counted for donor recognition purposes.
4. For pledges to be credited to The Project, they must be received in writing and processed by the Fiscal Agents during the term of The Project. This will ensure that the donor receives the proper acknowledgment, recognition, and credit. No pledge without written confirmation by the donor will be recorded.
5. Deferred gift commitments will be counted in accordance with Partnership for Philanthropic Planning Valuation Standards for Charitable Planned Gifts.



6. The Fiscal Agents may accept gifts of real estate, including houses, condominiums, commercial properties, farmland, rental property, and undeveloped land, after a thorough review is done by the The Fiscal Agents. These same guidelines will be followed for deferred gifts of the remainder interest in a residence or farm.
7. Individuals will be recognized for the sum of their gifts made to The Campaign. (See number 4 above)
8. Pledges will be counted in the total amount of the pledge commitment as soon as the donor has signed a pledge agreement. Pledges will ordinarily be expected to be paid within three to five years, although a schedule of payments extending beyond that point can be arranged in exceptional circumstances.

General Gift Policies

The Project will adhere to policies and guidelines outlined in the [Partnership for Philanthropic Planning \(PPP\) Valuation Standards for Charitable Planned Gifts](#). Some of the more relevant areas of these Guidelines are highlighted below:

REVOCABLE GIFTS

- Revocable gifts may be included in The Project totals at face value if they are pledged during the term of The Plan, documented, and reported separately from outright gifts and irrevocable deferred gifts.
- Previous verbal planned gifts that have not been quantified or documented may be counted in campaign totals.
- Background and recommended practices
 - The practice of counting revocable gifts is beneficial because it deepens relationships with donors and sets the stage for future support. However, to avoid basing a disproportionate amount of The Project on revocable gifts, recommends setting specific goals for revocable gifts at the Project outset. PPP also recommends periodic verification of the gift.
 - Appropriate documentation might include a commitment in writing from the donor, their attorney or financial adviser, or a copy of the bequest intention, retirement plan, or other document outlining the ultimate source of the gift. Documentation should include a statement about the assumed value of the gift.



- If a revocable gift is realized or becomes an irrevocable deferred gift during The Project term in which it was pledged, the value of the gift should be subtracted from the revocable commitment category and added in the appropriate category as an outright or irrevocable gift.
- In the case of externally managed irrevocable life income trusts that allow the donor to change the charitable beneficiary, because the designation is not irrevocably pledged to the institution, it should be counted as a revocable gift, at face value and in the revocable gift category.

IRREVOCABLE DEFERRED GIFTS

- Irrevocable deferred gifts may be included in The Project totals at face value, but both current face and discounted present values should be reported. Present value is calculated according to the IRS standards.
- Irrevocable deferred gifts should be recorded separately from outright gifts and revocable gifts.
- In the case of externally managed irrevocable life income trusts that allow the donor to change the charitable beneficiary, because the designation is not irrevocably pledged to the institution, it should be counted as a revocable gift, at face value but in the revocable gift category.
- In the case of charitable lead trusts, which make contributions over time, the face value of the payment stream should be recorded as a pledge in the year that it's given, and annual income should be recorded as pledge payments as they are received regardless of the length of the trust.
- Regarding background and recommended practices, PPP recommends reporting irrevocable deferred gifts at both the face value and discounted present value for the following reasons:
 - Reporting both values accurately and transparently reflects the funds donated by individuals (face value) and the fundraising activity of the institution, as well as the long-term estimated benefit to the institution (present value) by a standardized methodology (IRS charitable deduction calculation). In addition to calculating the IRS discounted value, institutions may want to use the PPP method for calculating the future value in today's dollars based on their investment in the trust.
 - Planned giving can be a powerful way to raise donors' sights while at the same time meeting the long-term funding needs of the institution. Counting gifts at face value helps to recognize the power planned gift vehicles can have in reaching important campaign goals and raising both institutional and individual sights. Reporting the gifts at discounted present value is a transparent way to distinguish them from outright gifts available to fund the immediate needs of the institution.



- Planned gifts, by their very nature, provide for the future health of an organization, with many institutions using planned giving strategically to build their endowments. The percentage of a campaign goal that should consist of planned gifts varies from institution to institution and depends on strategic priorities and goals.

CONDITIONAL PLEDGES

- "Conditional" pledges, as outlined by Financial Accounting Standards Board (FASB) and Governmental Accounting Standards Board (GASB), are those that place requirement on the institution to perform some task or take some action that it might not otherwise initiate, e.g., "I will commit \$1 million to your campaign provided you release your football coach."
- Conditional pledges will not be accepted for The Project.

GOVERNMENT FUNDS/GRANT FUNDS

- AFP advises that institutions determine prior to launching a fundraising effort if government funds, whether local, state (including state matching grants), federal or foreign, will be counted in the The Project totals.
- Government funds are often critical to helping institutions achieve their strategic goals. They are often secured competitively and help leverage private funds. Fundraising staffs often are integral to obtaining government support.
- It is recommended that only those government grants that specifically address a Plan priority be counted in this Project, as determined by the Fundraising Committee.

STEWARDSHIP

- Realizing that Fiscal Agents' reporting is different from The Fiscal Agents' audited financial statements, the purpose of the reporting is donor recognition. It is important for stewardship to show appreciation for all donor gifts.
- Fiscal Agents' financial reporting standards are based on acknowledging the intent of the donor. In that spirit, the Fiscal Agents will provide full campaign reporting credit for the donor's gift along with the appropriate donor recognition assigned to the gift level. This process will be followed whether the gift is made to either Fiscal Agent.

Gift Crediting Guidelines:



The following gifts and pledges will be counted towards the Campaign. IRS rules and regulations will apply in all instances. Accordingly, qualified appraisals must be obtained by the donor and provided where a qualified appraisal is required by the IRS in order to substantiate a charitable tax deduction.

- **Cash:** Cash is credited at full value the day it is received.
- **Marketable Securities:** Securities are credited at the average of the high and low of the fair market value on the date of delivery or the date the donor relinquishes control of the assets.
- **Closely Held Stock:** Gifts of closely held stock will be credited at the fair market value placed on it by a qualified independent appraiser as required by the IRS.
- **Real Property:** Gifts of real property will be credited on the date of transfer at the fair market value as determined by a qualified independent appraisal.
- **Tangible Personal Property:** Tangible personal property including, but not limited to, works of art, jewelry, antiques, coins, stamps and other collections, automobiles, manuscripts, and books that are accepted by Fiscal Agents will be credited at the fair market value on the date of transfer as determined by a qualified independent appraisal.
- **Gifts in Kind:** Non-cash donations will be credited at fair market value on the date of transfer as determined by a qualified independent appraisal and in accordance with Fiscal Agents' In-Kind Gift Acceptance Policy.
- **Bequests:** Bequests are counted as cash only after the bequest matures (the bequestor passes away) and is received by Fiscal Agent(s). Bequest intentions will be included in The Project deferred commitment total only where the organization has received signed documentation. After the bequest **matures** and is received by Fiscal Agent(s), the amount will be subtracted from the Deferred Commitment total and added to the Cash Commitment total.
- **Charitable Gift Annuities:** General Requirements for a Gift Annuity: Normally, a gift annuity will require a minimum of \$5000 irrevocable contribution. Annuities funded with non-cash gifts (other than publically traded securities) must be approved by the Fiscal Agents before establishing the annuity contract. Gift annuities will be considered for



acceptance only when the annuitant is 55 years or older. Deferred gift annuities may be accepted for annuitants younger than 55 depending upon the beginning date of the annuity payment. The organization must be at least a 50% beneficiary of the annuity remainderman. Charitable gift annuities will be credited at face value.

- **Charitable Remainder Trusts:** Charitable remainder trusts will be credited at face value if the beneficiary is of the donor's generation. Charitable remainder trusts will be credited at present value if the beneficiary is of a younger generation than the donor, such as a child or grandchild.
- **Charitable Lead Trusts:** A charitable lead trust will be treated as a cash pledge and credited at full value of all anticipated payments as stipulated in the trust document, which will be received five years after the close of The Project. For example, a charitable lead trust created June 30, 2021, with an annual payment to Fiscal Agent(s) of \$10,000 for ten years will be credited as a \$100,000 cash pledge.
- **Life Insurance:** Fiscal Agent must be the owner and beneficiary of any whole or universal life insurance policy given to the organization. (Term life insurance will not be accepted and will not be credited in The Project totals.) When the policy ownership is transferred to the organization, all donors must confirm in writing that they will promptly pay all future premium payments, whether known or unknown, at the time the gift is made. Life insurance gifts will be credited at face value if the insured is of the donor's generation. Life insurance gifts will be credited at present value if the insured is of a younger generation than the donor, such as a child or grandchild. All insurance gifts must be approved by the Fiscal Agents prior to acceptance.

Exclusions

The following types of funds shall be excluded from campaign report totals:

1. Gifts or pledges, outright and deferred, have already been counted in previous fundraising efforts, even if realized during The Project reporting period.
2. Investment earnings on gifts, such as interest earned on bank deposits or certificates of deposit.
3. Oral Pledges. Oral pledges will not be reported in campaign totals. In special circumstances a letter shall be written to the individual who has made an oral pledge to document that person's understanding of the commitment. After the oral commitment is verified in writing, this gift shall be counted.