



*Cass County North Dakota Historical Society dba Bonanzaville-USA*

## **Gift Acceptance Policy**

### **Introduction**

The Cass County North Dakota Historical Society dba Bonanzaville USA(CCNDHS) is a North Dakota non-profit organization that has been recognized as tax-exempt under section 501(c)(3) of the Internal Revenue Code. CCNDHS welcomes the interest of prospective donors and encourages gifts that will further its mission. Mission: Bonanzaville, USA, where we are dedicated to the Education, Enlightenment and Enrichment of the lives of our guests through the use of History; by preserving, sharing and connecting the past with the present.

The intent of this policy is to encourage funding for CCNDHS programs, daily operations, and future growth without burdening the Organization with gifts that may generate more cost than benefit or that are restricted in a manner that is not keeping with the mission and goals of the CCNDHS.

This Policy should be viewed as flexible in order to accommodate unpredictable fundraising situations and donor expectations. Special situations will be evaluated on a case-by-case basis by the Executive Director and Board of Directors.

### **Use of Legal Counsel**

When appropriate, the CCNDHS will seek the advice of legal counsel in matters relating to the acceptance of certain gifts. The decision to consult legal counsel will be made by the Executive Director in consultation with the Board of Directors.

### **Gift Planning**

Prospective donors to the CCNDHS are encouraged to seek the assistance of independent legal and tax advisors relating to their gifts and the resulting tax and estate planning consequences.

### **General Gift Acceptance Conditions**

The CCNDHS will accept only gifts that are consistent and compatible with the mission of the CCNDHS and of its individual programs, are compliant with federal and state statutes,

regulations, rulings, or court decisions, and are compatible with the tax-exempt status of the CCNDHS. Please see the CCNDHS Collections Policy for donations of historical items.

The CCNDHS will not accept any gift that violates any federal, state, or local statute or ordinance, knowingly exposes the CCNDHS to litigation or other liabilities, requires the payment of maintenance costs or other expenses for which no specific provision has been made, or otherwise appears to be financially unsound in the judgment of the Board of Directors.

No gift of real property will be accepted without prior approval of the Board of Directors. In general, CCNDHS will not accept real estate encumbered by a mortgage.

The CCNDHS retains the right to sell immediately all gifts of stock or property so that it can invest the proceeds.

**Restrictions on Gifts**—CCNDHS will not accept gifts that (a) would result in CCNDHS violating its corporate charter, (b) would result in CCNDHS losing its status as an IRS § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for CCNDHS, (e) are for purposes outside CCNDHS’s mission, and (f) all gifts of items considered artifacts, restricted or not will fall under the preview of the organization’s collection policy for acceptance. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Director, in consultation with the Board of Directors.

**Donor Restricted Gifts**- are subject to operational costs of up to 10% annually associated with the long-term stewardship of the buildings and artifacts in CCNDHS’s care.

### **Acceptance of Specific Outright Gifts**

#### 1. Cash and Checks

- Gifts in the form of cash and checks shall be accepted regardless of the amount unless, as is the case of all gifts, there is a question as to whether the donor has sufficient title to the assets or is not mentally competent to legally transfer the funds as a gift to CCNDHS.
- All checks must be made payable to the Cass County North Dakota Historical Society or Bonanzaville USA and shall in no event be made payable to an employee, agent, or volunteer for the organization.

#### 2. Publicly Traded Securities

- Securities that are listed on a public exchange in North America shall be accepted by the CCNDHS. It shall be anticipated that such securities will be sold immediately by the Organization.
- In no event shall an employee or volunteer working on behalf of the Organization commit to a donor that a particular security will be held by the Organization unless authorized to do so by the Board of Directors of the Organization.
- The value of a gift of securities is the average of the high and low of the stock(s) or bond(s) on the day the transfer is made by the donor to the CCNDHS. The value of the securities will be the gift value credited to the donor.

### 3. Closely Held Securities

- Non-publicly traded securities may only be accepted after approval of the CCNDHS Board of Directors. Such securities may be subsequently disposed of with the approval of the CCNDHS Board of Directors.

### 4. Real Property

- No gift of real estate shall be accepted without prior approval of the CCNDHS Board of Directors. The geographic location, market factors, environmental factors, etc., will need to be assessed to determine acceptance. The CCNDHS Board of Directors will review an acceptable deed and necessary documentation. The cost of obtaining necessary documents and fees associated with environmental studies, property taxes, maintenance, management, and/or insurance appraisals, title reports, and/or legal fees all should be borne by the donor.
- No gift of real estate shall be accepted without first being appraised by a reputable appraiser that shall have no business or other relationship to the donor.
- In general, real estate located within the state of North Dakota will be considered for acceptance unless the CCNDHS Board of Directors determines otherwise.
- In general, real estate located outside the State of North Dakota will not be considered for acceptance. The CCNDHS Board of Directors may make exceptions to this specific policy statement if conditions warrant it.

- In general, the CCNDHS will not accept real estate encumbered by a mortgage.
- It should be expected that gifts of the property will be sold with proceeds to benefit CCNDHS operations, endowed, and/or current funds based on the interest of the donor or at the discretion of the Board of Directors, if the donor defers to the Museum.

#### 5. Tangible Personal Property and in-kind gifts

- No personal property will be accepted unless there is reason to believe the property can be sold in a reasonable amount of time. *The exception to this policy is historical gifts of collections related to the mission of the CCNDHS. Please refer to the CCNDHS Collections Policy for donations of historical items.*
- Any gift of property worth more than \$5000.00 requires an authorized appraisal to determine fair market value. The expense to obtain an appraisal shall be the responsibility of the donor.
- CCNDHS gratefully accepts all appropriate in-kind contributions of skilled services and tangible assets consistent with its mission and non-profit status. In-kind donations will be deemed acceptable by the organization's Executive Director, Event Coordinator or a representative of the organization tasked with the duty for a particular event. Such gifts may be claimed as tax-deductible contributions. Federal regulations state, however, that *donors must estimate the fair market value of donated goods and services*. An in-kind donation form can be found at the end of this document and must be filled out by the donor upon acceptance of the gift.

#### 6. Other Property

- Other property of any description, including mortgages, notes, copyrights, royalties, and easements, whether real or personal, shall only be accepted by the action of the CCNDHS Board of Directors.

#### 7. Pledges

- The usual pledge payment period for gifts to a capital campaign will be three to five years. Exceptions can be made by the Executive Director.
- No verbal pledges will be recorded. Either a signed pledge or letter of intent must be in the possession of the CCNDHS before a pledge is recorded.

## 8. Naming Opportunities

- The CCNDHS executive director, with input from the Board of Directors will determine the potential for naming opportunities based on a specific level of gift and will also determine when the donor may be recognized (signage). As a guideline, the common practice among organizations is to approve signage when two-thirds of the pledge has been paid.

## 9. Deferred and Planned Gifts

- Requests through wills will be encouraged by the CCNDHS. Attempts will be made to discover bequest expectancies wherever possible in order to plan for the financial future of CCNDHS and to reveal situations that might lead to gifts that cannot be accepted by the CCNDHS.
- Estate gifts of collections will be accepted or rejected by the Collections Committee.
- Charitable Gift Annuities: All Charitable Gift Annuities and related details will be approved or disapproved by the CCNDHS Board of Directors.
- Life Estate Gifts: Generally, donors will be encouraged to make gifts of real property to the CCNDHS under which they maintain a life interest in the real property.
- Life Insurance: Donors will be encouraged to name CCNDHS as the “last beneficiary” to receive all or a portion of the benefits of insurance policies they have purchased on their lives. The CCNDHS will not, however, as a matter of course, agree to accept gifts from donors for the purpose of purchasing life insurance on the donor’s life. CCNDHS will not endorse an insurance product for use in funding gifts.

### **Do No Harm**

No gift, whether outright or life-income in character, will be accepted if under any reasonable set of circumstances, the gift would jeopardize the donor’s financial security.

### **Donor Confidentiality**

In general, information concerning donors or prospective donors shall be kept confidential by the CCNDHS and its personnel. Donor names with giving ranges will be published in CCNDHS publications and on other recognition walls, plaques, etc. for recognition purposes unless a donor requests anonymity.

### **Finder’s Fee or Commissions**

Approved by the CCNDHS Board of Directors 12/21/22.

CCNDHS will not compensate, whether through commissions, finders' fees, or other means, any third party for directing a gift or a donor to CCNDHS.

