

Policy: BP4.3 Utilization of Property	Effective Date:	2014.10.08
	Revision #:	2
	Date of Rev.:	2017.01.31
Policy Application: BPA4.3.3 Gift Reinvestment Allocation Principles and Schedule	Bring Forward:	2020.01.31
	Next Review:	2020.03.31
	Policy Application Oversight:	Finance Committee
	Policy Application Approval:	Board

*****This Policy Application must be approved by the Board of Directors*****

Purpose

The purpose of the Gift Reinvestment Allocation Principles and Schedule is to provide management with the criteria and framework by which donor restricted donations may be assessed a gift reinvestment allocation. The intent of the allocation exists to fairly compensate operating funds associated with the restricted gift.

Principles

- The Foundation will apply a one-time gift reinvestment allocation to any donor restricted gift made to the Foundation greater than \$10 for the benefit of Foundation operations.
- The Board will approve the gift reinvestment allocation schedule. The Board must approve any changes.
- All donors must be informed of the gift reinvestment allocation principles and schedule applicable to their restricted gift. Disclosure of the gift reinvestment allocation policy, principles and schedule will be made to all donors. Written or oral disclosure to donors of the allocation is expected at time of solicitation. Reinvestment allocation information will be included in any printed fund development material issued to prospective donors. The Foundation will develop and approve appropriate disclosure language for all fund development literature.
- The reinvestment allocation will be made at the time of the receipt of the gift except for planned or stock gifts whereby the allocation will be collected on the net proceeds amount at time of maturity or disposition.
- The reinvestment allocation will be recorded as “unrestricted funding” to be allocated as per the Boards discretion and direction.
- A donor may make a gift that ensures the programs/ area benefiting from the gift receives a specific amount (net). In this case, the donor will be allowed to provide a gift calculated as the net amount intended for the program/ area plus the gift reimbursement allocation.
- Assessment of a gift allocation will not affect the tax-deductible amount of a donor’s gift to the Foundation. Donors will receive one receipt for the full moun(t) of their gift.

Exemptions

The following gifts are exempt from any gift reinvestment allocations

- Gifts received prior to the effective date
- Payments received on pledges documented before the effective date
- Unrestricted gifts
- Non-cash (gifts-in-kind) gifts made to the donation that is used to support the Foundation’s mission and fund development activities

Schedule (as approved by the Board)

Gift Size	Allocation
\$0-\$99,999.99	10%
\$100,000-\$499,999.99	7%
\$500,000-\$999,999.99	6%
\$1,000,000-\$1,999,999.99	5%
Over \$2,000,000	3%
Endowed Funds	2%*

- A Two percent endowment allocation will be calculated and assessed to all endowments using the “book value” of the endowment effective December 31, 2013.

Reporting

The Executive Director shall provide summary report for all allocations collected bi-monthly to the Board.

Forms

None

Administration

This policy application, as approved and amended from time to time, is in force until rescinded or replaced, as approved by the Board, by the Board of Directors.

Revision #	Date	Description of Change(s)

1	2017.01.31	Application of reinvestment allocation on donor restricted gifts only.
2		
3		