

# San Diego Botanic Garden Gift Acceptance Policy

## 1 PURPOSE

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- 1.1 The purpose of this Policy is to serve as guidance for San Diego Botanic Garden (SDBG or 'the Garden') leadership, Board members, consultants, staff and any volunteers involved in the philanthropic process to understand the rules regarding the acceptance of gifts to support the organization.

## 2 OVERVIEW

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- 2.1 SDBG is a 501 (c) 3 organized under the laws of California, with the mission: 'We garden to create, share and apply plant wisdom in our world.' SDBG relies on philanthropic contributions to further and fulfill its mission and serve the best interests of the organization. The following policies and procedures will govern acceptance of gifts made to the Garden, for the benefit of its administration, operations, programs, or services, in compliance with applicable federal, state, and local laws. The Garden will comply with Internal Revenue Service's reporting requirements and all other aspects of federal, state, and local tax laws.
- 2.2 SDBG's leadership and Board lead guidance for gift acceptance, with assistance from departmental leadership. The Garden encourages solicitation and acceptance of outright and deferred gifts to the Garden provided that such gifts are not inconsistent with its stated mission, purposes, and organizational priorities. All gifts received become property of SDBG. SDBG reserves the right to refuse gifts that are overly restrictive in purpose, overly difficult to administer, or gifts that are restricted in any way for purposes outside the mission of the Garden. All decisions on the restrictive nature of and the acceptance or refusal of a gift shall lie with SDBG's President & CEO, with consultation of the Board or SDBG leadership as needed.
- 2.3 SDBG Board, staff and leadership will not provide tax nor legal advice to donors and will encourage donors to seek guidance from their own independent professional advisors. The Garden is not responsible for fees related to or incurred by the donor in these consultations.
- 2.4 SDBG reserves the right to obtain legal counsel relating to the acceptance of gifts as needed, included but not limited to stock transfers, gifts with potential conflict of interest, those naming SDBG as a trustee, those requiring financial obligations, or any gifts subject to environmental or other regulatory restrictions.

## 3 SCOPE

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- 3.1 This Gift Acceptance Policy is a Management Policy that provides the framework and guidance for SDBG Management to review with staff and volunteers regarding our philanthropic activities and procedures.

## 4 PROCEDURES

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- 4.1 SDBG leadership and staff will review and can accept the following types of gifts from individuals, corporations, foundations, government agencies and other entities:
- 4.1.1 Outright gifts, including cash, checks, credit card charges, gifts processed through donor advised funds and gifts of publicly traded securities, all of which immediately become property of SDBG.
- 4.1.2 Deferred gifts, including but not limited to bequests, real estate, beneficiary designations, and other planned gift vehicles.
- 4.1.2.1 Restricted versus unrestricted gifts: outright and deferred gifts will be treated as unrestricted, to be used for the organization's greatest need, unless restricted by the donor. SDBG will only accept restricted gifts above \$1,000 into an existing restricted fund. New restricted funds require at least \$10,000 to be established by a donor. Restrictions must be provided in writing by the donor prior to the acceptance of the gift. Restricted gifts below \$1,000 will be considered as general donations. In general, temporarily restricted gifts can be designated to a specific current fund or program at the Garden, whereas permanently restricted gifts will be given to a fund or endowment.
- 4.1.3 In Kind Support (materials, equipment, services): The Garden may accept in kind donations of products or services if the item or services can be of immediate use to SDBG, reduces or offsets a cost that would be

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otherwise incurred by SDBG, and has been approved to be received by the President & CEO or SDBG leadership. All in kind gifts up to \$5,000 must first be approved by departmental leadership before being accepted, with a completed In-Kind Donation Form signed by the department head, including a description and valuation of the gift. In kind gifts over \$5,000 must be approved by the President & CEO. The donor is responsible for valuation of in-kind gifts, with a third-party appraisal required for all gifts valued over \$1,000. In the event that the donor does not provide valuation of the in-kind gift, SDBG reserves the right to list the valuation of the gift as \$1 in our records.

- 4.1.4 Gifts of Tangible Personal Property: SDBG will only consider accepting gifts of tangible personal property (vehicles, boats, jewelry, art, antiques, etc.) based on the valuation of the gift, to be sold upon acceptance, or in cases when the property furthers our mission or organizational priorities. All gifts of tangible personal property must be appraised by a third party, with the cost of the valuation to be incurred by the donor, and will only be accepted upon approval by the President & CEO of SDBG. In addition, the Garden will not accept items when the cost of moving or maintaining the item is cost-prohibitive or there are donor restrictions the Garden cannot honor.
- 4.1.5 Gift of Plants: all proposed gifts of plants and seeds must first be approved by the President and CEO or SDBG leadership, in accordance with the Garden's current plant collections priorities. SDBG reserves the right to accept the donation in whole, in part, or decline the donation once delivered. As with other in kind gifts, the Garden is prohibited from appraising the valuation of the gift. Appraisal of value will lie with the donor and must be listed on our plant donation form and approved by the above SDBG leadership before acceptance. In the event that the donor does not provide valuation of the plant, SDBG reserves the right to list the valuation of the plant as \$1 in our records. The Garden will not accept donations of plants that show signs of disease, pests, or other potential threats to the collections. The Garden may also require chain of custody documentation to demonstrate a plant has been legally and ethically sourced before accepting.
- 4.1.6 Endowment Funds: Donors may make gifts of \$5,000 or more to the Garden's Unrestricted Endowment Fund, to be used for support of general operations. Each year the SDBG Board of Directors determines the use of this fund's distribution based upon operational needs of the Garden. Donors who make a gift of \$1,000,000 or more may establish a named endowment fund, upon agreement of the CEO & President, with the guidance of the Finance Committee. Once an endowment fund has been established, subsequent gifts of \$5,000 or more may be added to the same fund. Use of the funds will be guided by donor intent, as agreed upon via a Gift Agreement. The assets contained within each named endowment fund shall be administered by the CEO & President, with the guidance of the Finance Committee. SDBG reserves the right, in the gift agreement creating the named endowment fund, to broaden or alter the restrictions as to the use of the endowment fund, should it be determined in the future that the original restricted purpose of the named endowment no longer meets the needs or serves our mission. In so doing, the Garden will strive to use the gift consistent with the spirit of the original gift. A named endowment fund may be terminated if the CEO & President, with the guidance of the Finance Committee, determines that the market value of the assets remaining within the fund is uneconomically low in relation to the cost of administering the fund. In such case, all remaining assets within the named fund shall be transferred to the Garden's Unrestricted Endowment Fund to be administered pursuant to its terms.
- 4.1.7 Commemorative gifts: gifts may be made to the Garden in memory of (IMO) or in honor of (IHO) another person or to commemorate a milestone. Every effort will be made by the Philanthropy team to let the honoree or their family know who has given IMO/IHO of their loved one or milestone, without disclosing the gift amount under any circumstances. Commemorative gifts will be treated as unrestricted gifts, unless arrangements have been made beforehand with the Garden to direct to a designated fund and the gifts total over \$500.
- 4.2 Acknowledgement, Data Management, and Recognition: The Philanthropy team will lead all acknowledgement in a timely manner of all gifts over \$25 made to the Garden and in compliance with current IRS acknowledgement guidelines, as well as oversee all data management of donor records and recognition. Public recognition of donations over \$1000 will be listed annually in our annual report, which will also be posted on our website. Donors have the right for their donations to remain anonymous, with a written request to SDBG leadership or our Philanthropy team. The Garden does not sell or share donor lists or other confidential donor information with outside groups.
  - 4.2.1 Gift Agreements: all gifts of \$25,000 or more must be documented with a Gift Agreement, even if the gift will be given outright and not as a pledge. The Gift Agreement will list any restrictions or designations, as well as include any naming opportunities, if offered as part of the gift. The Gift Agreement will also outline the terms and conditions of the gift, including the exact wording of how the donor is to be listed (if applicable) and the period the naming right is to be given.

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- 4.3 Naming Opportunities: naming opportunities may be developed by SDBG leadership, usually in conjunction with a capital project, exhibit launch or renovation, or the naming of an endowed position. All naming opportunities will be reviewed by the President & CEO, SDBG leadership, and the Board of Trustees, with final approval to lie with the President & CEO. Selections for naming opportunities shall be available on a first-come, first-served basis, with recognition levels to be based on the total cost of the project, size and scope of project, aesthetic options for donor listings and signage, location and visibility of the project, and other factors to be finalized by the CEO & President with guidance from the Board of Trustees and SDBG leadership. Donor recognition will be featured according to the level of their respective support.
- 4.3.1 Recognition on smaller items in the Garden (trees, benches, equipment, meeting rooms) will be made available under special circumstances, with price and recognition to be based on the availability of the items and hard costs of the recognition (including signage, engraving, etc.), at the discretion of the President & CEO and SDBG leadership. The Garden reserves the right to remove these features per the timeline listed in the Gift Agreement or if the item itself becomes unsafe or is no longer consistent with the Garden's Master Plan.
- 4.3.2 Other forms of onsite recognition may be developed at the discretion of the President & CEO with support of SDBG leadership. The timeline, location, and type of onsite recognition will be decided at the time of the gift, and detailed in the Gift Agreement.
- 4.3.3 Naming Ceremonies: ceremonies to celebrate or announce the naming of a capitol project or renovation will be offered for contributions of \$1,000,000 or more.
- 4.4 Expiration or Transfer of Recognition: as the Garden's named projects may require upgrades, refurbishments, or demolition over time, physical onsite recognition of these gifts may require changes, replacement, or cease to exist. In these instances, every effort will be made to contact the donor or their heirs for notification. If these changes are made within 10 years of the gift, every effort will be made to include the original donor list in the renovation or relocation. If more than 10 years have passed since the gift, donors or their heirs will be offered the first right of renewal or refusal to donate to the new project replacing their previous named recognition. If the original donors or heirs are unable or refuse to support the new project or the Garden is unable to contact the donor or their heirs, SDBG will acknowledge the original donors as they deem acceptable.
- 4.5 Right to Refuse or Cease Recognition: no named recognition will be approved or continued that will call into question or damage the public reputation of the Garden, or if the donor's actions go against our mission or are damaging to our constituents. Such decisions and review will lie with the President & CEO with guidance from the Board of Trustees. If a previously received gift included a named recognition, and a decision is made to remove the listed recognition, donations that are part of the named recognition and were given in a previous calendar year cannot be returned, in keeping with IRS regulations.
- 4.6 Fundraising priorities are led by the Garden's President & CEO with input from the SDBG Leadership team and guidance from the Board of Trustees.
- 4.7 Any non-standard contributions will be reviewed by the President & CEO or SDBG Leadership, with the final decision on acceptance to lie with the President & CEO.

## 5 DISCIPLINARY ACTIONS

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- 5.1 All Garden employees and Trustees will adhere to this Policy. Violation of this policy may result in disciplinary action, up to and including termination.
- 5.2 The Garden reserves the right to change this Policy from time to time to reflect changing legal business and regulatory requirements.

## 6 POLICY APPROVAL

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Management policies must be approved by the President/CEO or his designee. Board policies must be approved by a vote of the Board of Trustees. This policy is a Board Policy.