

**Miss Hall's School
Gift Acceptance Policies**



**Adopted by the Board of Trustees
February 2017**

Prepared by:



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INTRODUCTION

Miss Hall's School (also referred to as the School or MHS) inspires and encourages each girl to pursue the highest standards of learning and character; to contribute boldly and creatively to the common good; and to seek a purposeful life based on honor, respect, growth, and personal authenticity.

Gifts raised by Miss Hall's School's development efforts support Miss Hall's School in carrying out its mission. Miss Hall's School welcomes gifts of cash, securities, and other forms of property to defray general operating costs, to help build Miss Hall School's endowment, and to assist in a variety of special purposes that reflect both the needs of Miss Hall's School and the interests of its donors.

The following pages outline general policies regarding the types of assets and the form of gifts that Miss Hall's School accepts. It also describes the administrative responsibilities and procedures developed in connection with the School's fundraising programs. By defining the types of gifts that are acceptable, the different forms gifts may take, and the requirements for accepting gifts, these guidelines will facilitate the appropriate use and accountability of gifts received by MHS.

The purpose of this Gift Policy Statement is also to provide MHS management, development staff, and volunteers with guidelines that enable them to assist prospective donors, their families, and advisors in making gifts to Miss Hall's School. The ideal gift to MHS is one that is both consistent with the donor's intent and financial plans, and also supports the School's stated goals and programs without imposing undue financial or legal burden upon MHS. It is hoped that these guidelines will encourage more gifts to Miss Hall's School and will at the same time provide discipline in the acceptance and administration of gifts. These guidelines are intended to be both flexible and realistic in order to accommodate unpredictable giving situations and opportunities as well as variability in donor expectations.

Miss Hall's School does not provide tax, financial, or legal advice to donors. All donors shall rely on their own personal advisors for tax, legal, financial, and other advice concerning their gifts.

All fundraising on behalf of Miss Hall's School must be in compliance with Sec. 501(c)(3) of the Internal Revenue Code, which governs non-profit tax-exempt organizations. Consistent with Miss Hall's School's non-discrimination policies, terms of a gift must not discriminate against anyone on the basis of race, religion, color, age, gender, sexual orientation, or disability.

In general, this Gift Policy Statement is in accordance with guidelines developed by the Council for the Advancement and Support of Education (CASE), Generally Accepted Accounting Principles (GAAP), and Financial Accounting Standards Board (FASB). These guidelines supersede all existing Gift Policies at Miss Hall's School; they are subject to change, in keeping with Miss Hall's School's mission and programs, without prior notice by the School. Miss Hall's School has the right to decline any gift that may not be in the best interest of the School.

The Finance Committee and Development Committee of the Board of Trustees will review this document annually to ensure that minimum values, types of gifts accepted, and other factors are consistent with market conditions. This policy may be amended by a recommendation of the Development Committee to the full Board of Trustees. The staff of Miss Hall's School is responsible for maintaining and adhering to these policies on a daily basis.

Approved by the Board of Trustees on _____(Date)

I. AUTHORIZATION & RESPONSIBILITIES

1. The Board of Trustees of Miss Hall's School has full and final authority over all policies and procedures for solicitation activities and acceptance of all gifts to MHS.

Operationally, the Head of School has the authority to implement policy and make day-to-day decisions.

The Board of Trustees authorizes a Gift Committee (GC) to make decisions on instances of gift acceptance as outlined in this policy. The GC consists of the Head of School, Director of Finance and Operations, Director of Development and Alumnae Relations, Board President, Board Treasurer, and Development Chair of the Board of Trustees. The GC will accept or refuse a gift by unanimous decision, or else forward the gift offer to the Board of Trustees for a decision.

The GC reviews all gifts that do not support recognized School-defined needs as well as gifts that are revocable or conditional. It also reviews certain gifts as prescribed throughout this policy. If necessary, the GC will seek the advice of the School's retained counsel (an outside, independent source) on accepting an offer. To ensure complete objectivity, no trustees or members of the School community will serve as legal counsel.

The Gift Committee authorizes the Director of Development and Alumnae Relations in consultation with the Chair of the Development Committee to review and accept atypical non-cash gifts of/valued at \$5,000 or less. The Director of Development and Alumnae Relations and the Chair of the Development Committee may forward such decisions to the GC as appropriate.

The GC shall solicit input from any concerned Development counsel, attorneys and/or representatives as necessary. The GC will make every effort to ensure that:

- Gifts impose no undue financial burdens on the School.
- Gifts do not expose the School to liabilities, material or personal.
- Gifts place no undue burden on any School resources.
- Gifts do not subject the School to adverse publicity.

- Gifts do not involve any conflicts of interest.

The GC will ensure that endowment gifts include language to provide the Head of School with flexibility to redirect gift monies appropriately (to a related purpose) in the event that the original restriction is obsolete, inappropriate, or impracticable.

2. The Director of Development and Alumnae Relations of Miss Hall's School is responsible for the creation of Development-related policies for Board approval and subsequent implementation of Board-approved policies.
3. All fundraising efforts, campaigns and appeals made on behalf of MHS must be approved by the Director of Development and Alumnae Relations and/or the Board of Trustees as appropriate.
 - No general or group solicitation of funds for specific purposes may be undertaken by any staff, department, or operating unit of MHS without the approval of the Director of Development and Alumnae Relations.
 - Solicitation of all gifts from individuals, foundations, or corporations must be cleared through the Head of School or Director of Development and Alumnae Relations.
4. No fundraising consultants, individuals, or firms will be hired to work for MHS or any department thereof without the recommendation and/or approval of the Head of School.
5. Only the Head of School or his or her designee is authorized to accept gifts to MHS that do not meet the guidelines stated in this document. Acceptance should first be agreed upon by the Gift Committee.
6. The Development Office is responsible for the following functions:
 - a. coordinating and managing the solicitation, receipt, acknowledgment, documentation, and stewardship of all gifts to the School;
 - b. transmitting and documenting cash and non-cash gifts to the Business Office for timely deposit and safeguarding of gift receipts;
 - c. documenting all pledge and gift receipts for input into the Financial Accounting System;

- d. following up on and collecting pledge payments; and
 - e. implementing and enforcing the Gift Acceptance Policies as adopted by the Board of Trustees.
7. Miss Hall's 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 to the School in accordance with these guidelines. More information regarding accounting practices and records is available from the Business Office.
 8. Gifts that fall outside of the parameters of this policy will be directed to the Gift Committee for review. The Gift Committee will make recommendations to the Board of Trustees for their approval to grant exceptions to the policies contained herein. The Director of Development and Alumnae Relations as well as representatives from individual departments or programs will be consulted, as necessary, on a per case basis.
 9. MHS reserves the right to decline any proposed gift that is deemed by the Gift Committee not to be in the best interests of MHS or is inconsistent with its mission, program, or strategic goals.
 10. Any formal changes made to the Gift Acceptance Policies that follow will be made only after a majority vote of the Board of Trustees.

II. DEFINITIONS

A. General Definitions

1. The **legal name** of the institution is Miss Hall's School.
2. A **gift** is defined as a voluntary, irrevocable transfer of assets from an individual or private organization to Miss Hall's School. Any offer of revocable or conditional gifts must be presented to the Gift Committee for review before acceptance.
 - a. 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.
 - b. A **gift-in-kind** is a gift of tangible items, such as equipment or supplies, as well as contract or professional services.
3. 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.
4. A **letter of intent** is a non-binding, written statement of a donor's intention to make a gift. It exists to ensure that the wishes of the donor are understood and accepted by both the donor and Miss Hall's School.
5. A **bequest** is defined as a gift by will of personal or real property.
6. A **bequest intention** is the written notification by a donor that the School is a beneficiary of a donor's estate.
7. A **grant** is defined as a voluntary transfer of assets or awards for specific or general purposes to Miss Hall's 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. **Definitions of Planned Gifts**

1. A **Planned Gift** is a gift in which the donor makes a commitment to Miss Hall's School but the receipt of funds from the gift may be delayed until a future time. The gift may be made either as a deferred, i.e., Charitable Remainder Unitrust, Charitable Remainder Annuity Trust, or outright gift, i.e., Charitable Lead Trust.
2. A **Charitable Remainder Unitrust** is an irrevocable 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. At the end of the expressed number of years, or upon the death of the beneficiary(ies), the remaining balance of the trust is transferred to Miss Hall's School.
3. A **Charitable Remainder Annuity Trust** is an irrevocable 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. At the end of the expressed number of years, or upon the death of the beneficiary(ies) the remaining balance of the trust is transferred to Miss Hall's School.
4. A **Deferred Charitable Remainder Annuity Trust** is a Charitable Remainder Annuity Trust that allows for payment of the annuity to start at a later time than the date of the gift.
5. A **Gift Annuity** is an irrevocable transfer of money or property to Miss Hall's School in exchange for which MHS promises to pay the donor and a survivor, if designated, fixed annual payments for life.
6. A **Charitable Lead (Income) Trust** is a trust in that pays income to Miss Hall's School for the life of the trust, after which time the principal is paid back to the donor or to the beneficiary(ies) of the donor's choice.
7. A **Retained Life Estate** is a gift of a residence or farm to Miss Hall's 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 Miss Hall's School.

D. 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 MHS.
2. **Restricted Gifts** are those given by a donor for a specific purpose set forth in writing by the donor. In the case of restricted gifts, the primary consideration for acceptance should be whether the gift supports a recognized need as defined by Miss Hall's School.
 - a) **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 Miss Hall's 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.
 - b) **Permanently Restricted Gifts** are gifts that must be maintained in perpetuity by Miss Hall's School. They may be limited by donor-directed conditions that neither expire over time nor can be removed by MHS except as provided by law. Only the income from endowed funds may be expended. The Board of Trustees must establish a policy to reinvest a portion of endowment income to maintain the value of the principal. Examples include endowed funds, which may be further defined as follows:
 1. **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.
 2. **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. Restricted endowment gifts are accepted if the gift supports a recognized need as defined by Miss Hall's School. As necessary, the Gift Committee should review and make decisions on accepting such gifts.

III. ACCEPTANCE AND VALUATION OF GIFTS

A. General

1. A gift is defined as a voluntary, irrevocable transfer of assets from an individual or private organization to Miss Hall's School. A gift may be made outright (such as cash or check) or deferred (such as bequest, charitable trust, or other planned gift).
2. A non-cash gift refers to a gift of any asset other than cash or a check. This includes, but is not limited to, marketable securities, closely held stock, real estate, tangible personal property, and life insurance. The policies outlined in this section apply to all gifts whether made outright or in the form of a planned gift.
3. A gift-in-kind is a gift of tangible items, such as equipment or supplies, as well as contract or professional services. Valuation of gifts-in-kind will be consistent with those standards articulated by the Financial Accounting Standards Board (FASB).
4. Gifts will be valued based on the date they are transferred to and accepted by MHS 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 Miss Hall's School.
5. Miss Hall's School will value donations for gift and campaign credit purposes in accordance with its internal procedures reflecting, in general, the reporting standards suggested by the Financial Accounting Standards Board (FASB) and the value of all gifts toward an approved fundraising goal will be determined by the Council for Advancement and Support of Education (CASE) Reporting Standards & Management Guidelines (July 2009). 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 FASB.
6. Gifts of real property will be credited at their fair market value, as determined by a qualified independent appraiser retained by the donor.
7. Gifts of tangible personal property will be credited at their fair market value, substantiated by an appraisal supplied by the donor if the value is greater than \$5,000.

8. If there is no market for the asset (i.e., gift of property), the gift will be recorded with a value of one dollar (\$1.00).
9. Miss Hall's School reserves the right to decline non-cash gifts or illiquid assets. No gift of real or personal property will be accepted if such acceptance would cause Miss Hall's School to incur a financial or other obligation (to display, store, insure, clear of legal restrictions, sell, etc.) which the Gift Committee deems to be burdensome.
10. Miss Halls' 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, Miss Hall's School will sell any real property or securities 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 Gift Committee. Where such a commitment is important to the donor, the gift will be referred to the Head of School who will then seek review by the Gift Committee before authorizing a commitment to retain or invest a gift asset.
11. Neither gains nor losses realized by Miss Hall's School's sale of a non-cash gift will affect the value credited toward fundraising goals. 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 accounted for the appropriate expense or revenue account in accordance with GAAP guidelines.
12. The responsibility for substantiating the value of any gift to the Internal Revenue Service belongs to the donor. No School representative, or person retained by MHS, shall perform valuations or appraisals of a gift of property for a donor's tax purposes.
13. Miss Hall's School does not provide tax, financial, or legal advice to donors. MHS strongly recommends that donors seek advice from professional financial advisors or attorneys.

B. Gifts of Real Property

1. Real Property is defined as land, and buildings erected on or affixed to land, and rights (e.g., mineral, air, water) and easements connected with land. Ordinarily, real property will be sold by MHS after acceptance, except for property to be used directly for institutional purposes as determined by the Trustees.

2. Donors may contribute real estate as a fee interest, as a life estate, or as a life income gift. Prior to acceptance, the donor must provide Miss Hall's School with a qualified third-party appraisal of the property's fair market value. MHS will make no representation to the donor as to the value of the property for purposes of claiming a charitable deduction.
3. Real property must have a clear record and marketable title. Easements and/or restrictions must be disclosed. Prior to acceptance, the property should be thoroughly investigated, especially with regard to any environmental or marketability issues. The donor is responsible for obtaining a real estate property disclosure checklist containing the following:
 - General description of property
 - Title of ownership
 - Date of acquisition and cost basis
 - Value of land versus value of buildings
 - Complete mortgage information
 - Form of acquisition
 - Property tax assessment
 - Zoning restrictions
 - Environmental history
 - Deed containing deed restrictions
 - Tenant information
 - 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.
5. Any effects of defective title must be understood by Miss Hall's School and accepted as such. Title to property that is contaminated with hazardous waste will not be accepted by Miss Hall's 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 MHS. 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 Director of Finance and Operations is responsible for performing due diligence procedures in order to recommend accepting gifts of real property. The Gift Committee is responsible for accepting or declining gifts of real property. Title will not be transferred or acknowledged until after acceptance of the gift of real property in accordance with this policy.

C. Gifts of Tangible Personal Property

1. Tangible Personal Property is defined as movable and physical objects such as works of art, books, musical instruments, antiques, jewelry, furniture, merchandise, equipment, clothing, or animals.
2. Only those gifts of tangible personal property that are readily marketable (sold or traded on the open market) or useful in carrying out the mission of Miss Hall's School will be accepted. MHS reserves the right to sell personal property at any time unless otherwise agreed to with the donor.
3. The Gift Committee is authorized to accept gifts of tangible personal property, except where such gifts pose unreasonable constraints or conditions upon Miss Hall's School or would not be in accordance with MHS's capacity to provide the appropriate care for such property.
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 this gift-in-kind acceptance policy.

6. Gifts of tangible personal property with an apparent value of \$5,000 or less will be credited at the value placed upon them by a member of the staff, faculty, or other person with proven expertise, and that informal valuation may be used for Miss Hall's School reporting purposes.

D. Gifts of Securities

1. Gifts of securities include marketable securities, options, and closely held stock.
2. The Development Office is responsible for implementing the acceptance gifts of marketable securities in accordance with established MHS policies. Any restrictions by the donor on the management or investment of a gifted security will be referred to the Gift Committee prior to acceptance of the gift.
3. Gifts of non-marketable securities require the approval of the Gift Committee. Consideration should be given to where there are any restrictions on sale and whether the sale will generate any adverse tax consequences to Miss Hall's School (for example, in connection with the sale of stock of an S corporation).
4. All marketable securities will be valued at the mean of their high and low market values on the date of transfer. The date of transfer is the date that:
 - the mailed stock certificate and a properly endorsed stock power are postmarked. If the postmarks on the documents differ, the later date will determine the date of transfer; or
 - the physical certificate and the properly completed transfer documents (i.e., stock power) are received by Miss Hall's School or its broker; or
 - the electronically transferred securities are deposited in Miss Hall's School's brokerage account.
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.
6. 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 Miss Hall's School that should be referred to the Gift Committee prior to acceptance of the gift.

E. Gifts of Life Insurance

The School is willing to consider accepting gifts of Life Insurance and the decision is left up to the Gift Committee.

1. Miss Hall's 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 fundraising goals. If the donor pays further premiums on the policy, Miss Hall's School will include the entire amount of the premium payment in its gift totals. If MHS pays the premiums, it will treat those payments as operating expenditures and not report 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 Miss Hall's School pays the premiums on a policy the School owns, the difference between the cash value and the insurance company's settlement at the donor's death should not be reported as a gift, but as a gain on the disposition of assets.
5. In cases where Miss Hall's School receives the proceeds of an insurance policy in which it is named beneficiary but not the owner, the full amount received will be reported 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 Miss Hall's School is made in the present, but the School's receipt of funds from the gift may be delayed until a future time. Donors who make planned gifts normally receive tax and/or income benefits.

The School is willing to consider the acceptance of Planned Gifts and the acceptance is left up to the decision of the Gift Committee. Donors may make planned gifts to Miss Hall's School in the following ways: a bequest; a Charitable Gift Annuity; a Charitable Remainder Trust Agreement; a Charitable Lead Trust; by making Miss Hall's School the beneficiary and owner of an insurance policy; by making Miss Hall's School a beneficiary of

a retirement account; a gift of a remainder interest in a personal residence; and/or other appropriate and legal charitable gift arrangements.

2. The Development Office will take responsibility for the following functions related to planned gifts:

- a. Prepare with legal counsel and the donor's attorney all planned gift documents for execution by the donor and the Head of School, with the advice and consent of the Gift Committee and Board of Trustees, as appropriate;
- b. Secure all necessary gift information for the donor to calculate applicable charitable tax deductions and income tax treatment of life income payments;
- c. Convey such information to the donor and Director of Finance and Operations;
- d. Notify the appropriate beneficiary regarding any life income gifts and their purpose; and
- e. Arrange for stewardship.

3. Miss Hall's School will accept the following types of gifts in trust, subject to the minimum value requirements as authorized by the Trustees and existing federal and state law and the review of the Gift Committee:

a. Charitable Remainder Unitrust

Payments calculated as a fixed percentage (not less than five percent of the initial gift amount determined annually) will be made to the donor and/or other named beneficiary. Unitrust gifts are defined by the manner in which income is paid to beneficiaries.

- 1) A "straight" or "regular" unitrust requires the trustee to invade the principal, if necessary, in order to meet the required percentage payout.
- 2) A "net income" unitrust stipulates that the trust will distribute either the actual amount of income earned or the established percentage payout rate, whichever is less.
- 3) A "net income with make up" unitrust uses excess income from the trust to pay the beneficiary(ies) income lost during

the years when earnings were less than the established payout rate.

Miss Hall's School will not serve as Trustee on such a trust and only accepts Charitable Remainder Unitrusts that are irrevocable. By law, a Charitable Remainder Unitrust may not be established if the charitable remainder value is less than ten percent of the initial principal, and the fixed annuity percentage must be at least 5% and no more than 50% of the fair market value of the assets in the corpus.

This trust also may be established for a term of years not to exceed twenty (20), or for the life of the beneficiary(ies), at the end of which time the principal becomes the property of Miss Hall's School. A Charitable Remainder Unitrust established to run for a set term of years is not subject to minimum age requirements.

b. Charitable Remainder Annuity Trust

An annuity representing no less than five percent of initial trust assets will be paid to the donor and/or others. The annuity amount never changes, and no additions may be made to an annuity trust.

Miss Hall's School will not serve as Trustee on such a trust and only accepts Charitable Remainder Annuity that are irrevocable. By law, a Charitable Remainder Annuity Trust may not be established if the charitable remainder value is less than ten percent of the initial principal and annual distribution amount from the trust must not be less than 5%, nor more than 50%.

This trust may also be established for a term of years not to exceed twenty (20), or for the life of the beneficiary, at the end of which time the principal goes to Miss Hall's School. A Charitable Remainder Annuity Trust established to run for a set term of years is not subject to minimum age requirements.

Any offer for an outright or deferred Charitable Remainder Annuity Trust requires the review of current IRS regulations and the review and approval of the Gift Committee.

c. Gift Annuity

A Gift Annuity is an irrevocable transfer of money or property to Miss Hall's School in exchange for which MHS

promises to pay the donor and a survivor, if designated, fixed annual payments for life. Total annual payments are made in calendar quarter installments.

Generally, a gift annuity will be considered only for an individual who is at least seventy-five (75) years of age and for an amount not less than \$25,000. Gift annuity agreements will not be entered into for more than two lives, and, in the case of a two-life agreement, the younger beneficiary must be at least seventy-five (75) years of age. Gift annuity maximum rates of return are determined by the donor's age at the time of the agreement. Normally, these rates will be guided by those approved by the American Council on Gift Annuities (a national organization representing more than 250 non-profit institutions that issue gift annuity agreements).

A Deferred Gift Annuity allows for payment of the annuity to start at a later time than the date of the gift. The minimum age for entering into a Deferred Gift Annuity is sixty (60). The minimum age for the starting date of annuity payments under a deferred gift annuity is seventy-five (75).

d. Charitable Lead (Income) Trust

Under a Charitable Lead (or Income) Trust, the donor's assets are transferred to an irrevocable trust for a period of years with a fixed percentage of the trust's assets as valued annually, or a fixed dollar amount paid to Miss Hall's School each year. At the termination of the trust, the principal reverts to the donor or the donor's heirs.

Miss Hall's School will not serve as Trustee on such a trust.

If the donor creates a Lead Trust, the total anticipated income may be recorded as a pledge; in such cases, the payment period may exceed five years, but must not exceed the period of the Trust.

e. Gift of Remainder Interest in a Personal Residence, or Farm

Donors may contribute a personal residence or farm to Miss Hall's School while reserving the right to occupy or use the property for a term of years or for life.

f. Other Planned Gifts

From time to time, the nature of donor assets or IRS regulations may provide opportunities for other forms of planned gifts not enumerated above, or blending more than one form of gift. Such possible gift arrangements will be reviewed jointly by the Gift Committee, so as to provide the appropriate recognition to the donor, while fulfilling the Trustee's fiduciary obligation and presenting the School's financial condition fairly. Such gifts may involve a partial or future interest in a donor asset (e.g., a pension fund) or other forms of gift.

4. Information on how the School will count and credit Gifts in Trusts/Planned Gifts is outlined in Miss Hall's School's Gift Counting Policy.

IV. GIFT ASSIGNMENT & REPORTING

Gifts raised by Miss Hall's School's Development Office serve a variety of Board approved purposes to benefit the School.

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 set forth in the Statement of Financial Accounting Standards No. 117, published by the Financial Accounting Standards Board.

A. Gift Assignment, General

1. All gifts received will be assigned to a specific restricted or unrestricted gift category.
2. The determination of whether a gift is restricted or unrestricted shall be made by the Director of Development and Alumnae Relations in

consultation with the Director of Finance and Operations and MHS's advisors as necessary.

3. All gifts will be recorded by the Development Office and will be recorded by donor, by date, by type of gift (see #1 above), by purpose, and by solicitation program (e.g., Annual Fund, Capital Campaign, etc.).
4. 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 Development Office. Copies of relevant documents may be provided to the Business Office where appropriate.
5. Under corporate matching gifts programs, matching gifts will be credited to the fundraising program and to the purpose for which the donor's gift was made, as long as it is consistent with the company's policy.
6. During the course of a capital campaign, all gifts given in support of campaign objectives will be recorded against campaign goals and counted in accordance with the specific campaign counting policy. The Development Office may report non-qualifying gifts separately as a measure of total fundraising activity.
7. Adjustments of incorrect postings may be made by the Business Office upon receipt of proper donor documentation.

B. Consideration 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. Restricted gifts should only be accepted if they support an established School initiative or program for which a gift fund already exists. Any restricted gift that falls outside of these categories must be approved by the Gift Committee.
3. All questions regarding the designation (temporarily restricted, permanently restricted, or unrestricted) of a gift should be clarified in a Letter of Intent and Designation form signed by the donor. However, should ambiguities regarding a gift's restricted purpose exist, they will be resolved by the Development Office, in consultation with the donor, and Miss Hall's School's legal counsel where necessary.

4. Gifts received for a purpose and used for that purpose within the current fiscal year may be recorded as gifts to the Annual Fund for MHS.

C. Assignment of Unrestricted Gifts: Special Cases

1. The Board of Trustees of Miss Hall's School 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.
 - a. Annual Fund gifts with no donor-imposed designations will be credited to the unrestricted gift income account and credited toward Annual Fund program goals.
 - b. Special or campaign gifts with no donor-imposed designations will be credited towards campaign goals and will be recorded accordingly in MHS's accounts.
 - c. Undesignated bequests will be assigned as follows:
 1. Undesignated bequests will be allocated to the quasi endowment fund. The Finance Committee of the Board of Trustees will review the quasi endowment fund quarterly and make recommendations to the full Board of Trustees regarding final allocation.
 2. This policy is subject to review and revision by the Head of School and Board of Trustees.

D. Gift Reporting

1. A complete understanding of the impact of fundraising results requires a review of both fundraising and financial statements.
2. For campaign and fundraising purposes, gifts will normally be credited according to the standards promulgated by the Council for Advancement and Support of Education (CASE), which among all non-profit associations has the most fully developed set of such standards. It is acknowledged that these standards are different in some respects from those of the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA) as, for example, in the asset value of irrevocable planned gifts.

3. For financial statement and audit purposes, MHS will follow and adhere to the rules and standards of the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA).
4. For tax reporting purposes, Miss Hall's School will follow the requirements of the Internal Revenue Code and regulations there under.

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 Board of Trustees must approve pledges of longer duration.
3. Pledges made prior to a campaign accounting period will be credited to the campaign only where they pertain to campaign objectives. At no time will a pledge or its respective payment be credited to more than one campaign.
4. If a donor creates a Lead Trust, the total anticipated income may be recorded as a pledge; in such cases, the payment period may exceed five years, but may not exceed the period of the trust.
5. Whenever possible, Miss Hall's School will incorporate language in deeds of gift that allow MHS 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 Miss Hall'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.")
6. A letter of intent should 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 fundraising goals prior to the receipt of a written pledge or the receipt of the gift.
7. A bequest intention shall not be recorded as a pledge for the purpose of campaign.

V. NAMING OPPORTUNITIES

A. General

1. Miss Hall's School welcomes the naming of facilities and endowed funds that meet the funding requirements outlined in the School's Naming Policy. Miss Hall's School maintains a list of naming opportunities, minimal levels for named spaces and funds, and all accounting related campaigns in a separate document.
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. Gifts for uses which are *not* part of the operating budget and *not* part of a list of approved naming opportunities for endowment or capital projects will require Board approval and will be evaluated according to gift level, existing plans, and needs for the proposed gift purpose. Physical plant items should adhere to a Master Plan just as program items should fit existing program plans.
4. The Director of Development and Alumnae Relations is authorized to develop and revise, for Board of Trustees approval, lists of gift opportunities, with an indication of the amounts required for naming.
5. The Head of School will submit recommendations to the Board for their approval of 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 add or change a major program.
6. Simple bequest intentions will not be associated with naming opportunities. Upon occasion, however, the Trustees may wish to honor an individual based on his or her long-term commitment to the School in addition to his or her bequest intention.
7. Planned gifts are eligible for approved naming opportunities only if the remainder value equals or exceeds the minimum amount required to name a gift or if the gift is designated for an endowment purpose such as scholarship.