

South Carolina Aquarium – Gift Acceptance Policies and Guidelines

South Carolina Aquarium, a nonprofit organization organized under the laws of the State of South Carolina, encourages the solicitation and acceptance of gifts to South Carolina Aquarium for purposes that will help the organization to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to South Carolina Aquarium for the benefit of any of its programs and operations.

The mission of South Carolina Aquarium is to inspire conservation of the natural world by exhibiting and caring for animals, by excelling in education and research and by providing an exceptional visitor experience.

Adherence of Policies and Guidelines

Purpose of Policies and Guidelines

The board of directors of South Carolina Aquarium and its staff solicit current and deferred gifts from individuals, corporations and foundations to secure the future growth and mission of South Carolina Aquarium. It is the purpose of these policies and guidelines to govern the acceptance of gifts by South Carolina Aquarium, providing staff the ability to make decisions regarding gift acceptance and to provide guidance to prospective donors and their advisors when making gifts to South Carolina Aquarium. The provisions of these policies shall apply to all gifts received by South Carolina Aquarium.

The Gift Acceptance Committee

Occasionally, South Carolina Aquarium staff may require the support and approval from the Gift Acceptance Committee regarding gifts that are more complex in nature or potentially expose South Carolina Aquarium to incremental expenses or risks.

The Gift Acceptance Committee is charged with the responsibility of reviewing gifts made to South Carolina Aquarium, properly screening and accepting those gifts, and making recommendations to the board on gift acceptance issues.

The gift acceptance committee shall consist of:

- The CEO of South Carolina Aquarium
- The CFO of South Carolina Aquarium
- The COO of the South Carolina Aquarium
- The Chairman of the Board of the Directors
- The Treasurer of the Board of Directors
- The Board of Directors Advancement Committee Chair
- Such other members as appointed by the CEO of South Carolina Aquarium
- Ex-Officio members shall include the Director of Advancement of South Carolina Aquarium

General Policies and Guidelines

Responsibility to Donors

- General. South Carolina Aquarium, its staff and representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in providing support for the organization.
- Confidentiality. Information concerning all transactions between a donor and the South Carolina Aquarium shall be held by the organization in strict confidence and may be publicly disclosed only with the permission of the donor.
- Anonymity. The South Carolina Aquarium shall respect the wishes of donors who desire to support the organization anonymously and will take reasonable steps to safeguard those donors' identity.
- Disclaimer. Each prospective donor to the South Carolina Aquarium shall be informed that the organization does not provide legal, tax or financial advice, and shall be encouraged to discuss all charitable gift planning decisions with his or her legal, financial or tax advisor before entering into any commitment to make a gift to the organization.

Use of Legal Counsel

South Carolina Aquarium shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. Review by counsel is recommended for:

- Review of closely held stock transfers that are subject to restrictions or buy-sell agreements
- Review of documents naming South Carolina Aquarium as trustee or requiring South Carolina Aquarium to act in any fiduciary capacity
- Review of all gifts involving contracts, such as bargain sales or other documents requiring South Carolina Aquarium to assume financial or other obligation
- Review of all transactions with potential conflict of interest that may invoke IRS sanctions
- Gifts of property which may be subject to environmental or other regulatory restrictions
- Other instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee

Restrictions on Gifts

To provide the organization with maximum flexibility in the pursuit of its mission, donors shall always be encouraged to make unrestricted gifts.

South Carolina Aquarium will not accept gifts that:

- a) would result in South Carolina Aquarium violating its corporate charter,
- b) would result in South Carolina Aquarium 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 or could damage the reputation of the South Carolina Aquarium, or

- e) are for purposes outside South Carolina Aquarium's mission

South Carolina Aquarium shall make all final decisions on the restrictive nature of a gift, and its acceptance or refusal.

Specific gifts that South Carolina Aquarium will not accept include, but are not limited to:

- A life insurance policy in which South Carolina Aquarium is the owner
- A life estate

Donor Expenses

As a general rule, and except as provided elsewhere in these procedures for specific assets, including real estate, expenses associated with a donor's gift should be borne by the donor. Typical expenses include appraisal fees to substantiate the value of the donor's gift for tax purposes and the donor's legal fees.

Valuation of Gifts for Development Purposes

South Carolina Aquarium shall record revenue based on a gift's valuation on the gift date or based on a recent appraisal date performed within a reasonable period of time for that type of gift.

Gift Acceptance Decisions

Gifts Generally Accepted Without Engaging the Gift Acceptance Committee

- **Cash.** Cash gifts are acceptable in any form, including by check, money order, or credit card.
- **Publicly traded securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Finance & Audit Committee. In some cases, applicable securities laws may restrict marketable securities; in such instance, the Gift Acceptance Committee shall make the final determination on the acceptance of the restricted securities.
- **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities, and Retirement Plans.** Donors are encouraged to make bequests to South Carolina Aquarium under their wills, and to name South Carolina Aquarium as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

The donor naming South Carolina Aquarium as beneficiary of a life insurance policy must agree to pay, before due, any future premium payments owing on the policy. In addition, the donor must understand that the South Carolina Aquarium may unilaterally exercise its right to surrender the policy for its cash surrender value. South Carolina

Aquarium may set, at its discretion, required face value minimums on life insurance policies.

- **Charitable IRA rollover.** South Carolina Aquarium will accept charitable IRA rollover gifts from donors age 70 ½ or older up to \$100,000 per year, or as provided by current legislation.
- **Charitable Remainder Annuity Trusts and Unitrusts:** South Carolina Aquarium may accept designation as remainder beneficiary of both a charitable remainder annuity trust and charitable remainder unitrust. Note that in some cases charitable remainder trusts may include real estate in their portfolio, in which case South Carolina staff will inform the Gift Acceptance Committee. South Carolina Aquarium will not accept appointment as trustee of any type of charitable reminder trust.
- **Charitable Lead Annuity Trusts and Unitrusts:** South Carolina Aquarium may accept a designation as income beneficiary of both a charitable lead annuity trust and charitable lead unitrust. Note that in some cases charitable lead trusts may include real estate in their portfolio, in which case South Carolina staff will inform the Gift Acceptance Committee. South Carolina Aquarium will not accept an appointment as trustee of a charitable lead trust.

[Gifts Accepted Subject to Prior Approval by the Gift Acceptance Committee](#)

Certain forms of gifts or donated properties may be subject to review by the Gift Acceptance Committee prior to acceptance. Examples of gifts subject to prior approval include, but are not limited to the following:

- **Tangible personal property and gifts of equipment:** All gifts of tangible personal property or equipment shall be examined in light of the following criteria:
 - Does the property fulfill the mission of South Carolina Aquarium?
 - Is the property marketable?
 - Are there any undue restrictions on the use, display or sale of the property?
 - Are there any carrying costs for the property?
- **Real estate:** Gifts of real estate may include developed property or undeveloped property.

Prior to acceptance of the real property, the gift shall be approved by the Gift Acceptance Committee and will be reviewed by its legal counsel at donor's expense. Evaluation criteria for acceptance of the property shall include:

- Is the property useful for the purposes of South Carolina Aquarium?
- Would the property align with or advance the mission of the South Carolina Aquarium?
- Is the property marketable and can it be liquidated within a reasonable amount of time?

- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit, if applicable, provide that the property is environmentally “clean”?

Prior to acceptance of real estate, South Carolina Aquarium may require an initial environmental review of the property to ensure that the property is not contaminated with environmental damage. In the event that the initial inspection reveals a potential problem, South Carolina Aquarium shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

Where appropriate, a title binder shall be obtained by South Carolina Aquarium prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

- **Other Gifts:** South Carolina Aquarium acknowledges that there are many gift options available to donors and the intent of these policies and guidelines is not to address all possible scenarios. Therefore, proposed gifts outside of those listed in this document that cannot be readily dealt with by South Carolina Aquarium staff, shall be reviewed on an individual basis by the Gift Acceptance Committee, which shall determine the merits of acceptance in each case.

Changes to Policies and Guidelines

These policies and guidelines have been reviewed and accepted by the Gift Acceptance Committee of South Carolina Aquarium. The Gift Acceptance Committee of South Carolina Aquarium must approve any changes to or deviations from this document.