



## SEAL FUTURE FUND, INC.

### Gift Policies and Guidelines

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## **INTRODUCTION, CONFIDENTIALITY, AND PRIVACY POLICIES**

### **I. INTRODUCTION**

All fundraising goals at the SEAL Future Fund, Inc. (the “SEAL Future Fund”, “SFF” or the “Organization”) originate and are approved by the Organization’s Board of Directors. These goals reflect the most important immediate and long-term needs of the Organization in the best judgment of the Board of Directors. Director-approved fundraising goals deliberately support the Organization’s mission and core values. These fundraising goals are assigned, by the Chairman, to the staff of the SFF to implement.

### **II. CONFIDENTIALITY POLICIES**

We assume that in the course of discussing major gift prospects for the SEAL Future Fund, fund-raising committee members, volunteers, trustees, employees, and fundraising consultants will, upon occasion, discuss information of a personal and financial nature concerning donor prospects. The following policies are established to affirm the SEAL Future Fund’s commitment to protect the privacy, dignity, and trust of its benefactors, friends, and prospective donors. All fundraisers at the SEAL Future Fund agree to follow these policies.

These policies are intended to further the mission of the SEAL Future Fund and to protect and respect the rights of donors and the Organization.

- a. All fundraising-related discussions concerning major gift donor prospects are strictly confidential.
- b. All information concerning financial capability, past giving patterns, specific gifts, and personal disclosures about giving interest, is confidential.
- c. Permission to publicly recognize a donor and his/her gift is assumed unless otherwise requested by the donor.
- d. Policies regarding anonymity and the reporting of gifts are covered in the Donor Recognition Policies of this document.

### **III. PRIVACY POLICY**

The SEAL Future Fund places the highest priority on protecting the privacy of its donor information. The SEAL Future Fund does not sell, rent, loan, or trade a donor’s personal or biographical information to any other entity. All copies of documents with this information are strictly controlled and accounted for to avoid inadvertent distribution of them.

## PROSPECT EVALUATION GUIDELINES

- I. Guidelines:
  - a. The purposes of the evaluation procedure are:
    - i. To identify the philanthropic profile of a prospect,
    - ii. To determine the appropriate volunteer to solicit a prospect, and
    - iii. To establish a specific dollar-asking amount that falls within an appropriate range, considering a prospect's financial capability.
  - b. Donor prospect evaluation is an art – not a science. The evaluation is conducted in a careful and respectful fashion. Several knowledgeable people are asked to participate in the procedure. Some will work as a group; others will work independently. Analysis of the group and individual evaluations usually provides an accurate guide to “giving capability.”
  - c. The evaluation is an estimate of the individual's “capability,” rather than “probability” to give. Capability is the criterion.
  - d. The evaluation means that the prospect is believed to be capable of giving a specific amount, if so inclined. It is reasonable to assume that this inclination does not yet exist in the hearts and minds of some prospects. Creating the inclination to give is our mutual challenge and that of the assigned solicitor.
  - e. When evaluating, the individual's total wealth is considered. Most major gifts will involve the donor's cash and non-cash assets. The individual's total assets—cash, land, closely held stock, and publicly traded securities—are considered in the prospect evaluation process.
  - f. Historically, individuals give more and are rarely insulted when they are asked to thoughtfully consider giving an amount equal to their capability.

## GIFT ACCEPTANCE POLICIES

### I. GENERAL

- a. The SEAL Future Fund's fiscal year runs from January 1 through December 31. Gifts to the Annual Fund are made on an annual basis and must be paid by December 31<sup>st</sup> to be counted in the fiscal year's totals.
- b. Payment of commitments to the SEAL Future Fund may take the form of one or a combination of the following: cash, marketable securities, or real property that can be converted to cash within a reasonable time period of one to three years.
- c. Donor gift commitments are recognized in a manner consistent with the donor's wishes and the guidelines approved by the Board of Directors. Recognition of gifts inspires other gifts; however, requests by donors for anonymity are honored. Permission to publicly recognize a donor and his/her gift is assumed unless otherwise requested.
- d. The Organization does not accept gifts when it is determined there is no charitable intent on the part of the donor nor does it accept gifts that are contingent on the employment of specific individuals by the SEAL Future Fund.
- e. The Organization reserves the right to decline any gift.

### II. PLEDGES

- a. A letter of intent or a written record of a verbal pledge must be in the possession of the Organization before a pledge is recorded. SFF staff does not record undocumented verbal pledges.
- b. In general, pledges are not formally recorded for the purposes of annual giving. In certain circumstances and in proper consultation with the Organization, a pledge of an annual gift may be recorded.

### III. TYPES OF GIFTS & GIFTS CREDITING POLICIES

The following gifts are acceptable:

- a. Cash: Cash is acceptable in any form. Checks shall be made payable to The SEAL Future Fund, Inc. (SFF) and shall be delivered to the SFF at 111 E 14<sup>th</sup> St, #393 New York, NY 10003. Donations are also accepted online at [www.sealfuturefund.org/donate](http://www.sealfuturefund.org/donate). Cash and credit card payments will be credited to the donor at full current value on the date of the gift.
- b. Gifts in Kind: Gifts in Kind ("GIK") are noncash donations. Materials or long-lived assets that serve the purpose of the Organization will be received and reported at their full fair market (face) value. GIKs include, but are not limited to, equipment, supplies, printed materials, or other similarly valued noncash gifts. Additionally, Gifts of Service will be reported at fair market (face) value. The Organization will review any questions regarding in-kind gifts.

- c. Real & Personal Property: Gifts of real and personal property that qualify as a charitable deduction for a donor should be counted at the full fair market value regardless of the value the donor may be able to take as a charitable deduction. IRS requirements for gift substantiation note that the donor has the responsibility for valuing the property for tax deduction purposes.
- d. Bequests: Properly documented bequest gifts will be counted at their present value according to available actuarial tables. Bequests will be counted at their value when they are realized by SFF.
- e. Life Insurance: Gifts of life insurance will be reported at their present value. SFF must be made the owner and irrevocable beneficiary of the policies, with the exception of realized death benefits. A gift of a paid-up insurance policy that name SFF as both owner and beneficiary will be can be counted at the full value at the cash surrender value of the policy on the date the gift is made.
- f. Retirement Plan & Life Insurance Beneficiary Designations: Donors and supporters of the SFF are encouraged to name the SFF as beneficiary or contingent beneficiary of their life insurance or retirement plan.
- g. Securities
  - i. Publicly-Traded Securities: These securities are reported at the average of the high and low quoted selling prices on the date the donor relinquished dominion and control of the assets in favor of the institution. The official gift date is the date the shares arrive in the SFF account. The Organization's general policy is that securities will be sold immediately by the Organization through its agent.
  - ii. Closely-held Securities: Gifts of closely held stock exceeding \$10,000 in value are reported at the fair market value placed on them by a qualified independent appraiser as required by the IRS for valuing gifts of stocks that are not publicly traded.
  - iii. Upon written request by the donor of securities and approval of the Organization, the SEAL Future Fund may, in its sole discretion, agree to hold the securities for a designated period of time. In this case, the SEAL Future Fund assumes all risks concerning potential benefit or loss due to changing securities values.

#### IV. GIFTS OF REAL AND PERSONAL PROPERTY

In order for property gifts to be recognized, complete transfer of ownership must have occurred.

The Organization converts all gifts to cash at the earliest opportunity. Generally, property gifts are not to be accepted by The SEAL Future Fund where conversion to cash is not likely within one to three years.

The donor must accept the obligation for payment of all associated expenses of property gifts, including legal, accounting, environmental testing, title insurance, and appraisal fees, in a manner to be mutually agreed upon by the Organization and the donor.

All gifts are subject to environmental evaluation prior to acceptance by the SEAL Future Fund, Inc. in a manner agreed upon by the Organization prior to acceptance.

All gifts received by the Organization are duly reported to the IRS as may be required.

The Organization does not accept any property that is encumbered by a mortgage, line, or other indebtedness.

The Board of Directors is empowered to grant an exception to these general policies to encourage significant gifts or improve donor relationships.

#### V. GIFTS OF LIFE INSURANCE PRODUCTS

The SEAL Future Fund welcomes gifts of life insurance and annuities, although is unable to accept responsibility for managing those gifts, such as paying premiums and monitoring investments.

The SEAL Future Fund accepts gifts of life insurance only when the Organization is listed as the sole beneficiary of any life insurance product. No value will be recorded until the Organization receives actual payment at the death of the donor.

#### VI. APPRAISAL REQUIREMENTS

Gifts of real and personal property, other than publicly traded securities, must be accompanied by an appraisal if the estimated value exceeds \$5,000. The donor recognition level is determined by the actual cash received by the Organization.

Donors of gifts of property do not receive an acknowledgement of the gift until the complete transfer has occurred.

#### VII. RESPONSIBILITIES OF DONORS

The management of the SEAL Future Fund asks the Organization's planned giving counsel to review all potential or proposed planned gifts. Although representatives of the SEAL Future Fund may provide appropriate assistance, the ultimate responsibility regarding valuations, tax deductibility, and/or such counsel as the donor may wish to secure is the sole responsibility of the donor.

## **GIFT REPORTING POLICIES**

- I. Gift reporting refers to how the gift is counted.
- II. A personal gift commitment is defined as a gift commitment from an individual or the individual's family, or a gift commitment made through the individual's personal or family association, or through a business entity controlled by the individual or family. Corporate matching gifts will also be counted as personal gifts.
- III. The Organization should receive notifications of all gifts, retain the appropriate documentation, and record them for crediting and reporting purposes.
- IV. All gifts given in the fiscal year are recognized in that year's annual report, which reflects fundraising activities for that year.

## DONOR RECOGNITION POLICIES

- I. The purpose of donor recognition policies are:
  - a. To allow the SFF to provide a genuine and lasting form of recognition for the generosity of donors, and
  - b. To encourage potential donors to raise their level of giving in order to achieve some form of recognition
- II. Once a gift is received:
  - a. The Organization's leadership should be made aware of all gifts (and pertinent donor information) made to SFF.
    - i. On the day gifts are received, they (as well as pertinent donor information) will be entered in a secure location on Organization's database server to ensure donor privacy and ease of gift tracking.
  - b. SFF will use, but is not limited to, the following list to appreciate/recognize donors:
    - i. Print Form Letter
    - ii. Hand Written Note
    - iii. Telephone Call/Email
    - iv. Listing on Website
    - v. Listing in Campaign Print Materials (including annual reports)
    - vi. At private and public events
- III. Donor Recognition
  - a. The Organization's senior leadership will be responsible for the creation, implementation, and evaluation of donor recognition tools, including publications and events. These tools are subject to the approval of the Board of Directors.
  - b. The SFF uses any of a number of forms of donor recognition to increase peer recognition and affiliation. Individuals, corporations, and foundations often wish to be seen listed among their peers within similar levels of giving.
  - c. Provisions will be made to recognize all donors to the SFF regardless of the size of their gift.
  - d. The SFF utilizes the following primary two forms of donor recognition:
    - i. Publications

1. The Organization may publish the names of donors at specific recognition levels periodically in the Organization’s publications and marketing materials. The purposes of this publication are:

- a. To show appreciation for gifts made, and
- b. To encourage others to make significant philanthropic commitments to the SFF.

ii. Donor recognition levels (Annual Fund)

Special Recognition	Gifts of \$50,000 or more
Founder	Gifts of \$25,000 to \$49,999
Patron	Gifts of \$15,000 to \$24,999
Benefactor	Gifts of \$10,000 to \$14,999
Provider	Gifts of \$7,500 to \$9,999
Partner	Gifts of \$5,000 to \$7,499
Friend	Gifts of \$2,500 to \$4,999
Builder	Gifts of \$1 to \$2,499

- e. In accordance with gift acceptance policies, donors receive permanent commitment when their pledge to construction or the endowment is paid in full.
- f. The SFF is pleased to honor the generosity of its donors and to have their names forever linked with the Organization. Gifts in honor or in memory of loved ones are also welcome. All gifts and naming opportunities must comply with the Organization’s gift acceptance policies and are subject to approval by the Board of Directors.
- g. The Board of Directors is empowered to grant an exception to these general policies to encourage gifts or improve donor relationships.

## ANNUAL FUND AND MAJOR GIFT POLICIES

### I. ANNUAL FUND

The success of the Annual Fund is an important component to balancing the annual operating budget of the Organization. Every effort is made to educate SFF's constituents about the importance of giving unrestricted gifts to the Annual Fund and to encourage a high rate of participation among each constituent group.

- a. The SEAL Future Fund, Inc.'s fiscal year runs from January 1 through December 31. All gifts for the Annual Fund (both restricted and unrestricted gifts) during that time period will count towards the total raised in the Annual Fund.
- b. SFF does not record Annual Fund pledges on its official books. Any verbal pledge is expected to be fulfilled within the fiscal year (by December 31<sup>st</sup>).
- c. Annual Fund giving categories are detailed in the section on "Donor Recognition Policies."
- d. All Annual Fund donors are recognized in Annual Report or other SFF publication.
- e. Recognition of gifts inspires other gifts; however, requests by donors for anonymity are honored. Permission to publicly recognize a donor and his/her gift is assumed unless otherwise requested.

### II. MAJOR GIFTS

- a. The SEAL Future Fund considers gifts greater than \$250,000 major gifts.
- b. Major gifts are considered separate from Annual Fund gifts. However, both solicitations should be considered and discussed before a proposal is presented to a donor. Proposals can include a joint Major and Annual Fund Gift or the two requests may be separated.
- c. Major gifts made be made over a period of up to five years and must follow all pledge guidelines as detailed in the "Pledges" section of the "Gift Acceptance Policy" section.
- d. When there are concerns about Annual Fund and Major Gift solicitations, the CEO or President of the SFF serves as the primary resource person.

## **MATCHING GIFT POLICIES**

- I. Donors are encouraged to seek out and take advantage of corporation or foundation matching gift programs.
- II. Matching gifts are designated for the same purpose as the original gift of the individual donor.
- III. The corporate or foundation matching gift donor received a separate credit and gift recognition in the giving category of the gift.
- IV. To encourage donors to make gifts that are matched, SFF will add the matching gift value to the giving category of the original “matched” donor. If a donor gives \$5,000 and that gift is matched with another \$5,000, SFF will recognize the donor in the \$10,000 category in the Annual Report and other publications. The matching entity is recognized in the gift category corresponding to its gift amount.

## ENDOWMENT GIFT POLICIES

- I. Endowment Priorities
  - a. Unrestricted Support
    - i. Unrestricted gifts to endowment are encouraged. The dollar value of an unrestricted gift is enhanced by the fact that the Organization can allocate proceeds from the endowment to its most critical need in any given year. Therefore, a donor making an unrestricted gift to endowment can be sure that the funds provided by his or her gift will address the highest priorities of the Organization in the future.
  - b. Support of a Specific SFF Program or Service
    - i. Endowments for specific programs or services provided by the SFF such as the Scholarship Program, for example, are encouraged to provide long-term support to critical SFF programs and services.
  - c. Additional Endowment Support
    - i. Donors may make endowment gifts to any existing endowment fund so long as there are no existing stipulations on the endowment about restrictions to receiving gifts from additional donors.
- II. Endowment Recognition
  - a. The SEAL Future Fund, Inc. is pleased to honor the generosity of donors to the endowment fund and to have their names linked to the Organization. Endowment gifts in honor or in memory of loved ones are also welcome.
  - b. All endowment gifts and naming opportunities must comply with the Organization's gift acceptance policies and are subject to Board of Directors approval. All gifts to the endowment may be acknowledged in the Organization's Annual Report or other publications each year.