

## **Northern Stage Fundraising Policies**

As a registered 501(c)(3) non-profit organization, Northern Stage Company receives financial and in-kind support from individuals, organizations, foundations, trusts and government entities/agencies through voluntary charitable contributions, grants and sponsorships. Such contributions, gifts, and sponsorships are important for the theater to fulfill its mission of challenging and delighting the audiences of the Upper Valley region.

Northern Stage values its donors, volunteers, and friends, and wishes to protect them from untimely or inappropriate approaches by members of Northern Stage's community. It is important that there be a close coordination of all fundraising efforts made on behalf of Northern Stage.

To ensure a centralized and coordinated approach to Northern Stage's prospects and donors (individual, foundation, and business), and to ensure that their interests are identified and matched with the organization's priorities, fundraising policies and procedures have been developed. These policies apply to all units (Committees, Board, staff) engaged in fundraising activities as well as all donors or potential donors to the organization.

For purposes of this fundraising policy document, the following definitions apply:

- A Prospect or Donor may be: an individual, a group of individuals, a foundation, a corporation (public or private), or government departments (municipal, state, or federal).
- A Volunteer is an unpaid individual who assists the organization with a fundraising project.

### **General Fundraising Policies for Northern Stage Company**

1. The Director of Development coordinates all fundraising activities.
2. No fundraising project or solicitation shall be undertaken without the knowledge and approval of the Managing Director and Artistic Director in consultation with the Director of Development.
3. When a fundraising project or solicitation has been approved, the fundraising activities to be undertaken will be overseen by the Director of Development.
4. No approaches to prospects or donors shall be made without having established with the Director of Development that the approach and the amount of the gift being sought are appropriate.
5. All Northern Stage fundraising materials such as brochures, letters, solicitation letters, emails, etc., must be reviewed and approved by the Director of Development. Volunteers/Board Members are expected to inform the Director of Development of private correspondence with potential donors when it concerns any Northern Stage fundraising activities.
6. All information regarding donors, prospects, and volunteers will be dealt with in confidence and in compliance with the Freedom of Information and Protection of Privacy Act. Donor giving history is proprietary information and will only be shared with staff, committee and/or Board Members at the discretion of the Director of Development, Artistic Director or Managing Director in conjunction with approved fundraising activities and practices.

**Prospect Clearance:**

Prospect Clearance will be coordinated and approved by the Director of Development before any approach is made to a prospect.

Criteria for prospect clearance decisions include:

- current or potential status as a prospective donor;
- relationship history with Northern Stage;
- affiliation with Northern Stage;
- giving history with Northern Stage;
- current cultivation and solicitation activity;
- the amount to be requested;
- the purpose and priority of a project for which a prospect is being considered; and/or
- corporate or foundation prospect's donations, program, and budget.

Clearance will be denied when any prospect:

- is in the process of deciding on a proposal already submitted by Northern Stage;
- has been cleared for solicitation for another project;
- has indicated that proposals will not be accepted at this time;
- has recently made a major contribution or has an open pledge (clearance may be given at later date); and/or
- is unsuitable to Northern Stage.

**Gift Acceptance:**

This policy applies to all gifts to Northern Stage, including general donations, annual giving, planned gifts, and special fundraising initiatives including capital campaigns.

**Gift Eligibility**

All gifts will be accepted except those that:

- violate a federal, state, or municipal law, by-law or regulation;
- will compromise, in the opinion of the Board of Directors, the commitment of Northern Stage to its mission;
- are donated on a condition that would compromise, in the opinion of the Board of Directors, a fundamental principle of Northern Stage; and
- the Board of Directors of Northern Stage, in its absolute discretion, declines.

Northern Stage will conform to the following policies when accepting donations:

- Designated gifts will be used for the purposes for which they are provided, except where such purposes become impractical. Should this happen, Northern Stage will use the gift for the purpose(s) that, the Board of Directors, in its discretion, deems most similar to the original designated purpose. To the extent possible, the Donor/s or their legal representatives will be consulted regarding the change in use of their gift.
- Designated gifts will be defined on a signed pledge commitment form. A gift confirmation letter will confirm the pledge and any associated naming opportunities or benefits.
- Undesignated gifts will be used for the most needed initiatives as determined by the Board of Directors in consultation with the Managing Director and the Artistic Director.
- All gifts will be acknowledged in as timely and accurate a manner as possible.
- Administrative procedures have been established for the acceptance and receipt of gifts, under the direction of the Director of Development and according to IRS guidelines.

- Anonymous gifts will be accepted and official receipts will be issued according to current published IRS administrative practice and opinion. Donor anonymity will be fully respected. Only those members of the Northern Stage leadership and staff who must be directly involved with the gift in some necessary way will know the donor's identity.
- Gifts made in honor of others than the donor will be accepted and official receipts will be issued to the donor according to current published IRS administrative practice and opinion. The honoree will be notified when possible.
- Where Northern Stage gives a naming opportunity in appreciation of a gift, such naming opportunity shall be governed by a Gift Agreement.

Northern Stage will accept the following types of gifts on the conditions set below:

***Cash***

Northern Stage will accept cash, credit card payments, checks and money orders payable to "Northern Stage." Checks postdated no more than two weeks will be accepted. Checks backdated will be given receipts for the date of the check if received within one week of the date on the check.

***Publicly Traded Securities***

Northern Stage will accept gifts of publicly traded stocks and bonds. The securities Northern Stage receives from Donors will be sold upon the transfer of beneficial ownership of the security to Northern Stage.

The value point of the security is determined by the mean of the high and low on the day ownership is taken over by Northern Stage. Documentation of the value and the sale of the stock will be provided by the Donor's financial institution and receipts will express this provided value.

Northern Stage will only accept the donation of shares of a private corporation with the express approval of the Board of Directors.

***Retirement Fund***

Northern Stage will accept the proceeds of a retirement fund as a gift if it is named as beneficiary. An official receipt will be issued according to IRS guidelines.

If retirement fund distributions are once again permitted as gifts by IRS/Government law, then Northern Stage can accept distributions.

***Gifts of Non-cash Property and Residual Interest Gifts***

All donor proposals for gifts-in-kind and residual interest gifts to Northern Stage shall be reviewed by the Managing Director and referred to the Board of Directors and legal counsel if necessary.

Gifts of property will be reviewed with special care to ensure that acceptance will not involve financial commitment in excess of budgeted items or other obligations disproportionate to the use of the gift.

Where the Donor wishes to be issued an official receipt, gifts of property given to Northern Stage must receive a professional, independent, external appraisal in accordance with IRS guidelines.

***Wills and Bequests***

Proceeds from bequests made to Northern Stage may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under Northern Stage's gift acceptance policies and Internal

Revenue Service (IRS) guidelines. Official receipts will be issued to the estate of the deceased in accordance with IRS guidelines.

When informed of a bequest intention, Northern Stage will provide the donor with a confirmation letter including the following language for the donor to include in his/her will:

I give to Northern Stage Theatre Company, a Vermont not-for-profit corporation whose address is 76 Gate Street, White River Junction, VT 05001, federal non-profit tax identification number: 04-3387268 the sum of \$ \_\_\_\_\_ and/or \_\_\_\_\_ % of the residue of my estate for its general purposes.

The donor will be asked to provide Northern stage with a copy of the appropriate portion of the Donor's valid will.

### ***Life Insurance Policies***

Northern Stage will accept a fully paid life insurance policy if Northern Stage is named as the owner of the policy. An official tax receipt will be issued in the amount as determined by IRS guidelines.

Currently, Northern Stage will only accept policies for which premiums are still due with the stipulation that the policy will immediately be converted to cash.

When a life insurance policy is absolutely assigned to Northern Stage, any consent that is required by regulations to change the owner of the policy must be signed before the transfer represents a valid charitable donation.

### ***Life Income Arrangements***

Northern Stage will accept life income arrangements such as a charitable remainder trust, a charitable gift annuity, or a pooled income fund as a gift if Northern Stage is named as remainder beneficiary. If Northern Stage is asked to administer the life income agreement and distribute periodic payments, Northern Stage must be named as the beneficiary of at least 50% of the remainder. The amount of any official receipt related to the gift will be determined according to IRS guidelines.

### **Receipts**

Northern Stage will issue official receipts subject to the following:

- in accordance with current published IRS practice or opinion;
- for any donation with a value of \$10.00 in US funds, or greater;
- in an amount that conforms to current published IRS practice or opinion, or on the advice of Northern Stage legal counsel;
- when a Donor reports that an official receipt from Northern Stage has been lost and a duplicate replacement official receipt, identified as such, is requested.

### **Naming Policies**

Persons or organizations may be honored by the naming of a building, part of a building, space or other opportunities (such as scholarships, endowments, or positions). These include:

- persons or organizations who have contributed to the life and mission of Northern Stage through voluntarism, or dedicated service; or
- persons or organizations who, through their approved financial contributions, enable Northern Stage to further its mission.

Northern Stage sets out conditions under which naming opportunities may be conferred in honor of individuals or organizations.

- The underlying principle of any naming is that both the person(s) or organization(s) and Northern Stage should be honored by the naming.
- The name may refer to a foundation, individual, family or similar unit or to a respectable commercial or business unit.
- In the case of naming in recognition of philanthropy, the Board of Directors shall approve the minimum values of donations for any and all naming opportunities, buildings, parts of buildings and spaces. The final approval must be an action of the Board that is recorded in minutes.
- The autonomy of Northern Stage shall be safeguarded at all times. The attribution of a name does not imply or confer any involvement or oversight into the operations of Northern Stage.
- It is the intention of Northern Stage to respect the Donor's intent. If, however, circumstances change so that the entire amount of the gift is not received by Northern Stage, Northern Stage may, at its option, remove the Donor's name, and/or reduce the name or form of recognition setout, or offer the Donor an alternate naming opportunity and benefits commensurate with the Donor's level of giving. Such an action is at the discretion and approval of the Board of Directors.
- In the event that a space-use change, renovation or other change affects the naming and form of recognition contemplated in this Agreement, Northern Stage will inform the Donor if possible, and Northern Stage and the Donor will consult as to options available at that time.
- Ultimate authority to accept or decline any naming proposal at Northern Stage rests with the Board of Directors.
- Ultimate authority to discontinue the designated name or to transfer the name to another space or opportunity rests with the Board of Directors. No naming will be approved or existing naming continued that will call into serious question the public respect of Northern Stage.