



GIFT ACCEPTANCE POLICY & RELATED PROCEDURES

DRAFT for revision by Leman Academy Leadership: January 20, 2024

This document provides a policy framework and outlines related procedures to guide Leman Academy of Excellence, Inc., its governing board, and staff in the appropriate review and acceptance of philanthropic gifts for the benefit of Leman Academy **Schools and Programs.**

This document was produced with the understanding that neither Leman Academy of Excellence, Inc. **nor Faustus Management Company, LLC.** engage in providing legal, accounting, tax, or other professional services or advice. Donors should seek legal, financial, tax, and/or expert assistance prior to making any donation.



Revised and approved by Leman Academy of Excellence, Inc. /**Faustus Management Company, LLC.** **{insert staff or council titles? i.e. CEO, CFO, legal counsel name, etc.}** on **{insert date}**

Revised and approved by Leman Academy of Excellence, Inc. **Colorado-Parker Board of Governors** on **{insert date}**

Note: Faustus Management Company, LLC. is not named in the remainder of this draft document. Requesting guidance on how this policy should be written to include/cover both Leman Academy of Excellence, Inc. and Faustus Management Company, LLC.

I. GENERAL STATEMENT OF GIFT ACCEPTANCE POLICY AND PRINCIPLES

Leman Academy of Excellence, Inc. (LAE) accepts philanthropic contributions (i.e., gifts, grants, and sponsorships) for the purpose of furthering its mission, including but not limited to: **curriculum development, technology, classroom stipends, field trips, education resources and tools, scholar programs, extracurricular programs (fine arts, athletics, etc.), capital projects and improvements, community engagement and events.**

LAE reserves the right not to accept gifts which may create a financial or administrative burden or other risks from which little or no financial benefit to support the mission may be realized.

LAE reserves the right not to accept restricted gifts that are:

- unsolicited,
- outside of the approved annual budget, planned projects, raised revenue goals; or
- impact or impede curriculum, classroom time or staff responsibilities.

If deemed appropriate or necessary, restricted gifts that meet any of these criteria, may be reviewed for exception by Colorado Head of Schools, the Chief Executive Officer, and Board Chair (or approved by Board of Governors?).

LAE shall refuse any gift that is offered for a purpose that is inconsistent with its charitable mission and/or in any way may jeopardize its good standing as a registered 501(c)(3) charitable organization.

LAE shall not accept any gift with restrictions that violates LAE's ethical standards in any way, or requires or causes discrimination based on gender, race/ethnicity, religion, national origin, age, marital status, sexual orientation, gender identity or expression, disability, or other impermissible characteristic as may be determined by law.

Absent explicit written donor stipulation, contributions will be classified as unrestricted. Donors are encouraged to seek independent legal and financial advice prior to making any significant charitable gift. **Neither the Leman Academy of Excellence, Inc. nor the Faustus Management Company, LLC. engage in providing legal, accounting, tax, or other professional services or advice.**

LAE does not refund contributions, including gifts, grants, or sponsorships unless it is determined that LAE has materially failed to honor the donor's intent, it is determined that circumstances prevent LAE from honoring donor intent, and an alternative use of the contribution is neither available nor allowed for the gift/grant agreement.

- **Gifts of Liquid Assets:** Cash, checks, and credit card gifts may be routinely accepted, if the purpose of the gift is consistent with the LAE mission.
- **Non-Cash gifts (or Gifts-in-Kind),** if determined to be consistent with the LAE mission, may be accepted, pending an assessment of the gift's near-term utility or its potential for liquidity.
- **Gifts of Non-Liquid Assets:** Major gifts of real estate, tangible personal property, vehicles, or other non-liquid assets will not be accepted.
- **Outright Gifts to fund an endowment, as well as all Deferred Gifts,** including but not limited to: bequests, charitable trusts, charitable gift annuities, life insurance, retirement plan distributions, and other similar gifts will not be accepted.

II. GIFT ACCEPTANCE PROCEDURES

The following procedures are intended to provide guidance to staff regarding the appropriate implementation and execution of the LAE Gift Acceptance Policy.

A. Outright Gifts

1. Outright gifts of U.S. currency, checks, **wire transfers, or payroll deduction** do not pose risk for gift acceptance and are credited at actual cash value.
2. To ensure compliance with donor intent and facilitate prompt processing, receipting, and acknowledgement, outright gifts should be accompanied by a written statement of purpose, including the LAE department or program for which the gift is intended, if any restrictions, and the expiration of those restrictions (if applicable). Electronic transmission of written donor intent is acceptable, as is a LAE response form, checkbox, etc.
3. Funds should be made payable to "**Leman Academy of Excellence, Inc.**" Funds received from the governments shall be classified according to the purpose and designation as stated in writing by the donor government.
4. Possible designations include philanthropy, sponsored research or events, capital projects, education resources and tools, teacher support funds, , product or program development, or other. If such funds are philanthropic, they will be accepted, recorded, and acknowledged as any other outright gift/grant.

B. Pledges (defined as "Promises to Give" under FASB 116)

1. Pledges shall be recorded in accordance with relevant FASB rules and regulations and in keeping with LAE's accounting policies and procedures.
2. Pledge commitments must be written and include the amount of the pledge, the pledge period, the anticipated date of the first payment, and the frequency of payments. In addition, the written pledge must contain a statement of any gift designation, purpose or any restrictions, and be signed by the donors).
3. Every effort should be made to keep pledge periods to **three to five years or less.**
4. Pledges proposed with a duration greater than five years must be reviewed and approved by the Chief Development Officer and the President/CEO and the Treasurer/CFO.
5. Pledges for capital purposes are considered legally binding.

*We are in the process of determining whether Leman can accept pledge donations. George Schlecht to review. **FASB 116** applies to nongovernmental entities; I don't know if Leman is subject to this as a charter school in Douglas County School District.*

C. Other Gifts-in-Kind (GIKS)

All gifts-in-kind, i.e., gifts of equipment, goods, and services must be reported to the Treasurer/CFO for inclusion in LAE's records and for management purposes. All GIKs must be reported to the **Development Department** for inclusion in the donor's gift record and for the purposes of receipting, acknowledgement, and stewardship.

Goods and services given in support of LAE fundraising events are recorded by the Development Department and credited to the donor at fair market value.

Goods and services contributed for the purpose of being sold or auctioned at an event are recorded by the **Development Department** and credited to the donor at the fair market value of the item, as determined by the donor. LAE shall not appraise nor assign a value to the gift property. It is the donor's responsibility to establish a value for the gift and to provide, if necessary, at the donor's expense, a qualified appraisal as required by the IRS.

D. Corporate Sponsorship and Partnership

The following guidelines ensure that all corporate partnerships are coordinated by Lemman Academy staff and that all donations and associated benefits are accepted directly through the Lemman Academy organization, ensuring equal and consistent opportunity for all active and prospective sponsors/partners.

1. **Coordination by Lemman Academy Staff:** All corporate sponsorships and partnerships must be coordinated and approved by the designated staff at Lemman Academy of Excellence. This ensures that the partnership aligns with our educational goals, core values and that it benefits our students and the school community as a whole.

LAE reserves the right to manage partnership opportunities and donations including but not limited to, events held on LAE property, donations intended to support LAE, and all opportunities associated with the Lemman Academy of Excellence brand, operations, and work.

2. **Direct Acceptance of Donations:** All donations associated with corporate sponsorships and partnerships must be coordinated and accepted directly through LAE. This ensures transparency and accountability in the use of funds and resources. Donations should be made payable to **Lemman Academy of Excellence** and will be used to support educational programs, student activities, and school improvement initiatives.
3. **Benefits and Recognition:** Corporate sponsors and partners may receive appropriate recognition and benefits as determined by organization staff and leadership. All benefits and recognition should align with our brand guidelines, nonprofit status and should not compromise the integrity and independence of Lemman Academy of Excellence. Any promotional materials or advertisements related to the partnership must be approved by Lemman Academy staff before dissemination.
4. **Review and Evaluation:** Lemman Academy will periodically review and evaluate all corporate sponsorships and partnerships to ensure their continued alignment with our mission and values. If a partnership no longer meets our criteria or if there are concerns about the corporate sponsor's practices or reputation, Lemman Academy reserves the right to terminate the partnership.

By adhering to these guidelines, Lemman Academy aims to maintain the integrity of our educational programs and ensure that all corporate sponsorships and partnerships contribute positively to the educational experience of our students.

III. DONOR-SPONSORED EVENTS

A donor may receive gift credit for sponsoring or partially sponsoring an event for the benefit of LAE. LAE shall pay all costs associated with the event for which the donor wishes to obtain credit.

The donor shall make an outright gift equal to the agreed costs to be applied to the event and state that the purpose of the gift is to support costs associated with the event.

This could be an opportunity to specifically mention the Leman PTO but I know we're still figuring out event structure.

V. GIFTS DEEMED UNCOLLECTIBLE pledge related - TBD

It is recognized that, from time to time, a previously recorded pledge or portion of a pledge may be determined to be uncollectible due to unforeseen circumstances. If such a determination is made, the outstanding pledge amount shall be written off in LAE's accounting and gift recording operations.

No pledge write-off shall occur without written authorization by the President/CEO or Treasurer/CFO. Such written documentation shall be maintained with the donor's records. The Treasurer/CFO shall notify the LAE Finance Committee prior to writing off any pledge greater than \$15,000 that is deemed uncollectible.

VI. PERIODIC REVIEW AND REVISION OF THE GIFT ACCEPTANCE POLICY

The President/CEO, Head of School-Colorado, Treasurer/CFO, and/or member of the Board of Governors may submit proposed revisions and refinements to this policy as deemed necessary.

Any proposed changes in this policy will be reviewed by the Board of Governors and be adopted by majority vote of the members.

The Development Officer shall be responsible for disseminating and reviewing this policy periodically.

It is recommended that reviews and LAE Board adoption/approval occur every three years.