



## **Gift Acceptance Policies and Guidelines**

Ogunquit Museum of American Art (OMAA, “museum”) is a 501(c)(3) non-profit institution organized under the state laws of Maine in 1951. The museum solicits and accepts gifts that are consistent with its mission and that support its core programs, as well as special projects. These policies govern the acceptance of charitable Legacy Gifts to OMAA, and are intended to provide guidance to prospective donors, and their advisors who are considering a gift to the museum.

Donations and other forms of support will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, but are subject to the following:

### **I. REVIEW OF GIFT**

A group of at least two individuals shall review gifts over \$25,000. These individuals shall consist of designees from the museum including, but not limited to the museum’s Executive Director, the President of the Board of Directors, the Development Committee Chair, and special legal counsel, when appropriate.

These individuals are tasked with reviewing pledged gifts, and bequests offered to the museum, in accordance with this Policy and with such laws, rules and regulations as relevant with 501(c) 3 status in the state of Maine. The museum reserves the right to refuse gifts containing restrictions that are inconsistent with the Museum’s mission or that otherwise may be deemed inappropriate. These individuals shall report to the museum’s Finance Committee regarding appropriated gifts that have been accepted by the museum at every board meeting.

### **APPRAISALS & INDEPENDENT ADVISORS**

When a gift is designated, it becomes the donor’s responsibility to determine whether it is necessary to obtain an appraisal of the proposed gift (see guidelines below). Donor will occur all costs associated with related appraisals. The museum suggests that donors seek independent counsel for any proposed gifts. Any, and all, costs associated with hiring independent advisors whether legal, tax, financial or estate are the donor’s responsibility. OMAA will not act as advisor, although will assist in the facilitation of an approved gift with the donor’s advisors.

### **III. RESTRICTIONS ON GIFTS**

OMAA will not accept gifts that (a) would result in the Ogunquit Museum of American Art losing its status as an IRS 501(c)(3) not-for-profit organization, (b) are too difficult or too expensive to administer in relation to their value, (c) would result in any unacceptable consequences for OMAA, or (d) for purposes outside OMAA's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be determined by OMAA.

#### TYPES OF GIFTS: NO REVIEW REQUIRED

**Cash:** Cash gifts are acceptable in any form, including by check, money order, credit card, or online donations. Donors wishing to make a gift to a specific initiative should contact the museum to outline their wishes.

**Securities:** Securities may be transferred electronically to an OMAA investment account maintained at a brokerage firm, or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by OMAA's Finance Committee. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Finance Committee.

**Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans:** Donors are encouraged to make bequests to Ogunquit Museum of American Art under their wills, and to name the museum as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

**Charitable Remainder Trusts:** Ogunquit Museum of American Art will accept designation as a remainder beneficiary of charitable remainder trusts.

**Charitable Lead Trusts.** Ogunquit Museum of American Art will accept designation as an income beneficiary of charitable lead trusts.

#### TYPES OF GIFTS: SUBJECT TO REVIEW

Gifts or donations which require review include the following, but are not limited to:

**Physical Property:** The museum will review all and any gift of tangible property, i.e. motor vehicles, boats, and like. Donors are responsible for providing a current and accurate appraisal of the gift, physical location and disclose any, and all restrictions, and provide clear ownership documentation. Such gifts must be marketable and free of restrictions on sale. Donor must disclose if there is any carrying cost associated with the gift.

**Life Insurance:** OMAA accepts gifts of life insurance where the museum is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owed on the policy.

**Real Estate:** Any gift of real estate is subject for review. In order for the gift to be reviewed, the donor must provide an appraisal of the property with a clear title defining ownership and a documents outlining any, and all, carrying-costs for the property. OMAA may require an environmental review, if the property is a non-residence. In the event that the inspection reveals a potential problem, OMAA may reserve the right to further review and/or decline the gift.

\*Reasons for Legal Counsel: Ogunquit Museum of American Art will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. The museum will likely seek counsel on the type of gifts outlined below:

Gifts of securities that are subject to restrictions or buy-sell agreements.

Documents naming OMAA as trustee or requiring the museum to act in any fiduciary capacity.

Gifts requiring OMAA to assume financial or other obligations.

Transactions with potential conflicts of interest.

Gifts of property which may be subject to environmental or other regulatory restrictions.

#### GIFT OF AN ARTWORK

Any gift of art will be reviewed by the Collections Committee in accordance with the museum's collection management policies. All final decisions on the restrictive nature of a gift and its acceptance or refusal are subject to committee review.

#### VII. BUILDING RESERVE POLICY

In general, our fundraising efforts will include physical development costs, costs of moving and furnishing our facility, transitional operating funding, and seeding a building reserve. A fixed sum of a percentage of building costs will be raised and set aside for reserves as a component of fundraising, to be supplemented in future years by funding depreciation.

Our current endowment also supports building maintenance and replacement at a set drawdown rate. Needs for emergency funds for the building are set by the Finance Committee, that tracks and monitors the funds. OMAA welcomes any identified sources of replenishment for these funds, in addition to budgeted surpluses and funded depreciation.

#### VIII. ENDOWMENT GIFTS

Gifts to OMAA's Endowment are restricted gifts. All restricted gifts, must be governed by a written agreement, outlining the terms of the gift and executed by the donor, and then approved by the museum. The minimum amount necessary to establish an endowment is \$25,000.

Endowments may be funded with an outright contribution, or through contributions pledged over a maximum period of 5 years. The contribution terms may be extended by written agreement between the donor and the museum, with the recommendation of the museum. Endowments may also be funded with deferred contributions from bequests from a will, life insurance policies, retirement plan designations, charitable remainder trusts and similar arrangements.

Endowment contributions will be activated for their intended purpose only when they are funded with cash (or cash equivalents) equaling 50% of the actual anticipated total gift commitment, or total contributions otherwise reach the previously outlined required minimum for an endowed fund, unless other arrangements have been made in advance of the gift.

Endowments created by testamentary trust (will in trust) shall be administered in accordance with the donor's wishes, provided that the donor clearly establishes an endowment and the intended use is not prohibited by law and also align with the museum's gift policies.

Endowment principals will be pooled and invested, and income disbursement will occur in accordance with the prevailing investment and spending policies of the museum and applicable laws and regulations.

## IX. NAMING AND RECOGNITION

The museum's Executive Director and Development Office maintain a list of current naming opportunities at OMAA. Naming opportunities are available for the galleries, grounds, and garden spaces. In accordance with museum policies, naming periods are not to exceed (30) years and are revoked if a designated space is permanently closed, during the allotted time span. Exceptions to this policy may appear in separate legal documents. Please contact David Mallen (207) 646-4909 for current naming opportunities (or you can email [giving@ogunquitmuseum.org](mailto:giving@ogunquitmuseum.org)).

### Recognition Opportunities:

Supporters of Exhibitions, Publications and Educational Programs are recognized for a period of time based on the size of the gift, in accordance with museum recognition procedures. The museum's Development Office also maintains a list of current recognition opportunities, which are generally available in the following areas: Exhibitions, Publications, Educational Programs, Technology, Art Acquisitions and more.