LINCOLN CENTER FOR THE PERFORMING ARTS, INC.
GIFT ACCEPTANCE POLICY

I. PURPOSE OF POLICY

Lincoln Center for the Performing Arts, Inc. ("LCPA"), a New York not-for-profit corporation, encourages and depends on gifts to further and fulfill its mission. The purpose of this Gift Acceptance Policy ("Policy") is to govern the acceptance of charitable gifts to LCPA and to provide guidance to potential donors and their professional advisors when making gifts to LCPA.

II. GIFT REVIEW COMMITTEES

LCPA’s Staff Gift Review Committee (the “GRC”) is charged with the responsibility for reviewing inter vivos gifts, pledges, bequests, and other proposed gifts where and as appropriate, in accordance with this Policy and with applicable laws, rules, and regulations.

The GRC will consist of staff members appointed by the President and CEO, including designees from the Planning & Development, Finance, and Legal Departments.

The GRC will meet on an as-needed basis, and at a minimum quarterly, to consider gifts submitted for its review. As appropriate, the GRC may in its discretion refer certain gifts to the President and CEO and/or the Gift Acceptance Committee of the Board of Directors for further consideration (the “Board Gift Acceptance Committee”).

LCPA is committed to the highest ethical standards in all aspects of its fundraising and development activities. LCPA may consider many factors in reviewing gifts, either before a gift is accepted or at a future time. Such factors include, but are not limited to, whether the donor’s actions or mission, or restrictions attached to the gift, conflict with LCPA’s mission, LCPA’s core values, public policy, or the law, or as otherwise may be determined by the Board Gift Acceptance Committee.

III. COMPLIANCE WITH TAX LAWS AND REQUIREMENTS

LCPA will comply with all applicable tax laws and other legal requirements regarding gifts.

Unusual or complex aspects of, or structures for, proposed gifts should be reviewed by LCPA’s legal counsel. LCPA will not knowingly facilitate a donor claiming an improper tax or other benefit.

LCPA will acknowledge all gifts in writing to the extent and in the manner required by applicable Internal Revenue Service requirements. LCPA will include a good faith estimate of any goods or services provided in exchange for the gift to the extent and in the manner required by law. All charitable gifts to LCPA are recorded in LCPA’s records by the name of the donor and include the date of the gift, restriction (if any) and value or description.
IV. RESTRICTED GIFTS

A. Donor Restricted Purpose Gifts.

Proposed gifts that are restricted to supporting one or more existing programs of LCPA will not necessitate review by the GRC, unless otherwise required under this Policy. Any proposed gift that is subject to any other restrictions pertaining to use will be reviewed by the GRC to ensure that such restrictions are consistent with the mission, standards, and administration of LCPA and with public policy and the law. Such proposed restricted gifts shall be accepted at the discretion of the GRC.

Applicable restrictions on a gift’s purpose or use will be set forth in the written agreement governing the gift.

B. Endowments.

The minimum necessary to establish a restricted endowment is generally $250,000.00. Gifts at lower levels may be added to existing endowment funds. Endowments may be funded with outright contributions or with deferred contributions.

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

V. NAMING GIFTS

Proposed gifts to name buildings, prominent public spaces, and endowed positions and programs will be reviewed by (a) the GRC, (b) the President and CEO, and (c) the Board Gift Acceptance Committee.

VI. TYPES OF GIFTS ACCEPTED

A. Cash.

Gifts may be made in cash, by check, credit card, or wire or ACH transfer and are accepted and credited at face value. Gifts in currencies other than the U.S. Dollar will be reviewed by the GRC and may be accepted in the GRC’s discretion.

Checks should be made payable to Lincoln Center for the Performing Arts, Inc. and delivered or mailed to 70 Lincoln Center Plaza, New York, NY 10023, Attn: Planning & Development. Donations can be made through Lincoln Center’s website. The webpage can be found at http://support.lincolncenter.org/.
B. Publicly-Traded Securities.

Gifts of publicly-traded securities are accepted and credited at the mean of the highest and lowest selling price on the date of the gift. As a general policy, all marketable securities will be sold upon receipt.

Where otherwise marketable securities are restricted by applicable law, a proposed gift of such securities will be reviewed by the GRC and may be accepted in the GRC’s discretion. As a general policy, any restricted marketable securities that are accepted by LCPA will be sold as soon as practicable upon expiration or satisfaction of their restrictions.

C. Closely-Held Stock and Other Ownership Interests.

Gifts of closely-held securities, including debt and equity positions in non-publicly traded companies, as well as interests in LLPs, LLCs and other ownership forms, will be reviewed by the GRC, taking into account:

1. the value of the proposed gift (potentially obtaining an independent appraiser (See Section VIII of this Policy -Appraisals and Independent Advisors));
2. the marketability of the proposed gift;
3. any restrictions on transfer or other obligations accompanying the interests;
4. special issues arising from co-ownership or ownership of a non-controlling or minority interest;
5. potential tax consequences, including whether the proposed gift will generate unrelated business taxable income;
6. the nature of the company’s business; and
7. potential liabilities, costs, reputational concerns, or other obligations arising from ownership of the interest.

As a general policy, LCPA will seek to sell any such securities or interests, if accepted, as soon as legally possible.

D. Gifts from Private Foundations and Donor Advised Funds

LCPA accepts gifts from private foundations and donor-advised funds (“DAFs”) subject to legal restrictions applicable to gifts from such organizations.

Federal tax laws and state nonprofit corporation laws penalize donors that use private foundation funds to satisfy legally binding pledges or to make gifts that provide more than an incidental personal benefit to foundation donors or managers. Accordingly, LCPA will not accept contributions from a private foundation to satisfy an individual’s legally-binding pledge obligation to LCPA. A donor who wishes to make a pledge to LCPA that will be satisfied using a private foundation should cause the private foundation to make the pledge or else to make the pledge on a non-binding basis. Similarly, LCPA will not provide individuals with personal benefits such as tickets to events in return for gifts made by their private foundations. LCPA may permit such individuals to pay for such benefits out of personal funds at the price available to others.
Federal tax laws also limit the use of DAF funds to make gifts that provide more than an incidental personal benefit to the donor advisor and LCPA will not provide individuals with tickets or similar personal benefits in return for gifts from DAFs if such gifts would not be fully deductible by individual donors. LCPA may, in its sole discretion, choose to treat a DAF contribution toward satisfaction of an individual’s legally-binding pledge.

Please note that the Internal Revenue Service has announced that it plans to issue regulations on DAFs and quid pro quo benefits and pledge fulfillment and this Policy may change accordingly.

LCPA encourages donors to consult their tax advisors and/or legal counsel to determine the tax treatment of their proposed contributions and any other restrictions that apply to private foundation and DAF gifts (See Section VIII of this Policy -Appraisals and Independent Advisors).

E. Life Insurance.

Gifts of life insurance policies will require GRC review. LCPA reserves the right, in its sole discretion, to cash in any policy or retain it, taking into consideration whether the donor has made satisfactory provisions for the payment of any future premiums.

F. Real Property.

Proposed gifts of real estate must be reviewed by LCPA’s legal counsel and by (a) the GRC, (b) the President and CEO, and (c) the Board Gift Acceptance Committee. To aid in LCPA’s review, the donor will be asked to disclose all potential benefits and burdens associated with the proposed gift, and the donor shall furnish to LCPA at the donor’s expense the information and materials listed in Appendix A. In determining whether to accept the proposed gift, the GRC shall take into account:

1. the value of the proposed gift (See Section VIII of this Policy -Appraisals and Independent Advisors);
2. whether there are any financial, environmental or other liabilities that would be required to be assumed upon acceptance of the proposed gift;
3. the costs of carrying the property, including but not limited to insurance, property taxes and maintenance;
4. whether the property would be useful to LCPA;
5. whether the property would be readily marketable;
6. commitments for sale or lease;
7. pending or anticipated litigation or other proceedings, including eminent domain or condemnation actions;
8. whether the property is subject to any liens, easements, restrictions or other limitations;
9. whether the gift is a straightforward outright conveyance of a fee simple interest or in another form (e.g., a gift of a remainder interest, a gift subject to a retained life interest, or a gift of real estate to a charitable remainder trust).
10. any potential joint or partial ownership that may result or persist following transfer to LCPA; and

11. any other potential benefits and burdens associated with the proposed gift.

Due to the expenses involved with gifts of real estate, except in unusual circumstances, only gifts in excess of $500,000.00 will be accepted.

If accepted, all real estate donations will be sold as soon as practicable, except in unusual circumstances. The donor must generally provide for obligations such as taxes, insurance, assessments, legal fees, security, utilities, maintenance, and upkeep on the property until it is sold.

G. Tangible Personal Property.

Gifts of tangible personal property, such as artwork, collectibles, books, and antiques, must be reviewed by the GRC, taking into account:

1. whether the proposed gift is related to LCPA’s mission;
2. the financial value of, and any potential liabilities associated with, the proposed gift;
3. the provenance of the gift and whether it is accompanied by a certificate of authenticity;
4. the costs associated with receiving, maintaining, and/or selling the proposed gift (including costs of insurance, shipping, storage, care, and/or appraisals);
5. any restrictions on the use or sale of the proposed gift;
6. whether, if appropriate, the proposed gift can be sold easily without significant cost; and
7. whether the copyright will be donated or licensed perpetually along with the physical object.

The donor is responsible for obtaining his or her own appraisal of the property (See Section VIII of this Policy - Appraisals and Independent Advisors). As a general policy, tangible property donations—other than artworks that may require further consideration—will be sold as soon as practicable, if accepted.

H. Retirement Benefits.

LCPA may be designated as the beneficiary under a donor’s retirement plan, annuity, or individual retirement account (IRA).

The retirement account plan administrator will provide the donor with the beneficiary designation form to designate LCPA as a beneficiary. The correct designation to use is “Lincoln Center for the Performing Arts, Inc.”

Donors will not be credited with any value until the proceeds are received by LCPA.
I. **Charitable Remainder Trusts and Charitable Lead Trusts.**

LCPA may be designated as a remainder beneficiary of a charitable remainder trust or as an income beneficiary of a charitable lead trust. The GRC will review any non-cash funded trusts or other variations or unusual terms. LCPA will not serve as a trustee of a charitable remainder trust or a charitable lead trust.

J. **Charitable Gift Annuities and Deferred Payment Gift Annuities.**

LCPA offers gift annuities to its supporters as a way of making a deferred gift. Generally, no gift annuity shall be issued for an amount less than $25,000.00 or for the life of an individual under fifty (50) years of age. No gift annuity agreement shall be for more than two lives.

LCPA will not accept gift annuities that are established by real estate, tangible personal property, or any other illiquid asset. Additionally, no gift annuity shall be issued unless the gift, computed using the government tables, exceeds ten percent (10%) of the amount transferred for the annuity. LCPA generally follows the rates recommended by the American Council on Gift Annuities.

K. **Pledges.**

Legally enforceable commitments to make a future gift to LCPA may be made through written pledges payable according to a fixed time schedule, generally over a period of five (5) years or less unless approved by the GRC.

Significant pledges require the review of the GRC and, if the GRC so determines, may require the review of (a) the President and CEO and (b) the Board Gift Acceptance Committee.

VII. **ALL OTHER GIFTS**

Gifts of other assets not otherwise covered by this Policy may be accepted on a case-by-case basis after review by and approval of the GRC.

VIII. **APPRAISALS AND INDEPENDENT ADVISORS**

It is the donor’s responsibility to determine whether it is necessary to obtain an appraisal of a proposed gift and, if so, to secure such appraisal. LCPA does not select the appraiser, hire the appraiser, or pay for, endorse or provide such appraisals. LCPA also does not pay for or provide environmental reviews, title work, or other similar expenses in connection with gifts.

It is the donor’s responsibility to secure independent legal, tax, financial, and estate advice with respect to the donor’s gifts to LCPA. LCPA will not act as advisor to any donor in any of these respects.

IX. **CHANGES TO THIS POLICY**

This Policy is subject to periodic review and updates.
Appendix A

LCPA Real Property Gift Acceptance Required Materials

The following is a list of information LCPA would require from the donor, at the donor’s expense, or otherwise paid for by the donor, to consider a gift of real property.

1. Results of title search and Phase I environmental report on the property, dated within the last sixty days and certified to LCPA.

2. Title insurance.

3. An appraisal or other evidence of valuation.

4. Description of (a) the property; (b) prior use of the property; (c) any structures located on the land; and (d) surrounding property, with specific disclosure of potential environmental factors affecting the property.

5. Instrument survey of property, dated within the last six months, with location of all structures, easements, and encumbrances appearing on the face of the survey.

6. Information regarding existing zoning status and ingress/egress for the property.

7. Disclosure of any contemplated or anticipated condemnations, right-of-ways, or other actions by municipalities that may affect the subject property.

8. Disclosure of maintenance and carrying costs.

9. Disclosure of transfer and recordation costs, including taxes, upon accepting and disposing of the property.

10. Specimen of proposed Seller’s Affidavit disclosing any and all tenants, leases, security instruments, graves or cemetery parcels, etc.