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## **VT Digger Gift Acceptance & Recognition Policy**

### **1. Introduction**

The mission of Vermont Journalism Trust, Ltd. (“VJT”) and VT Digger, a project of the VJT, is to produce rigorous journalism that explains complex issues, holds the government accountable to the public, and engages Vermonters in the democratic process.

Achieving this mission depends upon the generosity of donors. Gifts are accepted unless they are not consistent with the mission of VJT, or they entail conditions that are unacceptable to VJT, or they require significant financial outlay on the part of VT Digger.

We subscribe to standards of editorial independence adopted by the Institute for Nonprofit News. Our organization retains full authority over editorial content to protect the best journalistic and business interests of our organization.

We maintain a firewall between news coverage decisions and sources of all revenue. Acceptance of financial support does not constitute implied or actual endorsement of donors or their products, services or opinions.

We accept gifts, grants and sponsorships from individuals and organizations for the general support of our activities, but our news judgments are made independently and not on the basis of donor support.

We are committed to transparency in every aspect of funding our organization. Each year, VJT publishes a full list of donors and supporters, with all donors who give a total of \$5,000 or more in a given year separately listed. We will accept anonymous donations for general support only, with the understanding that the expenditure of anonymous donations is made independently by our organization.

### **2. Purpose**

The purpose of this Gift Acceptance and Recognition Policy is to provide guidelines relating to the acceptance and processing of gifts that are consistent with VJT’s mission. Donors and prospective donors will be urged to seek the assistance and advice of independent professional advisors, including, but not limited to, tax or legal counsel and financial advisors, where appropriate, prior to and in matters relating to making a gift. VJT reserves the right to consult with and/or seek the advice of legal counsel in any and all matters relating to the acceptance of gifts.



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This document sets out general policies. Requests for exceptions will be adjudicated by the Gift Acceptance Committee (see below, section 3).

### **3. Gift Acceptance Review Process**

Determinations as to acceptance of routine gifts may be made by the Executive Director, as well as the Director of Development, in consultation with the Finance Department, where appropriate. All non-routine gifts and any gifts designated in this Policy for review by the Gift Acceptance Committee (described below) should be directed to the Gift Acceptance Committee, which committee will be responsible for rendering the final decision as to whether a particular gift should be accepted.

The Gift Acceptance Committee consists of the Executive Director, the Director of Development, and the Development Committee of VJT Board of Trustees. The Committee may seek advice from individuals that it considers helpful to its deliberations.

The tasks of the Gift Acceptance Committee are to:

- (1) Oversee the administration of the Gift Acceptance and Recognition Policy.
- (2) Make decisions when approval is required by the terms of this policy including but not limited to all gifts described in paragraphs 5(d)(e)(f)(g)(h)(i) and (j).
- (3) Adjudicate requests for exceptions to this policy.

This document enumerates specific situations in which action by the Gift Acceptance Committee is required. This should not be understood to be an exhaustive list of the Committee's responsibilities, nor should it be understood to supersede the authority of the Board to negotiate and accept covenanted or other gifts.

### **4. Types of Gifts**

A. Outright, pledged, or deferred. Outright gifts involve the donor's voluntary and intentional transfer of money or property without expectation of receiving a benefit equal to the value of the transfer. Pledges are commitments to make an outright gift by a specific date, often through installment payments. Deferred gifts generally are put into place during the life of the donor and are effective either during life or at a particular individual's death.

B. Unrestricted vs. restricted. Unrestricted gifts may be used for any activity or program. Restricted gifts may specify the particular purpose of the gift or conditions governing its use. Any restrictions must be accepted before a gift is made. The donor does not retain control over the money or property after its transfer.



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We may consider donations to support the coverage of particular topics, but our organization maintains absolute editorial control of the coverage. We will cede no right of review or influence of editorial content, nor of unauthorized distribution of editorial content.

## 5. Forms of Gifts

A. Cash and checks. Cash and checks will be accepted regardless of the amount. The value of any cash or check gift is its face value. Checks should be made payable to Vermont Journalism Trust, Ltd.

B. Wire transfer of funds. Funds will be accepted via transfer from donors' bank accounts. Donors should consult a representative of their financial institution to make a gift via wire transfer. Donors also should notify VTDigger when such transfers are initiated, in order to assure appropriate and timely gift acknowledgment and proper gift credit. Wire transfers must be in U.S. dollars.

C. Credit card contributions. Funds will be accepted via transfer from donors' credit cards. Credit card transactions may be completed online at [vtdigger.org/donate](http://vtdigger.org/donate) or by completing a remittance card that can be requested from VJT staff. Donors making gifts by credit card are respectfully asked to consider adding 3% to the gift to cover the credit card processing fee.

D. Securities. Securities that are actively traded on recognized stock exchanges, and other readily marketable securities, including bonds and mutual funds, may be accepted as gifts according to the policies described below. Securities typically will be sold as soon as feasible.

(1) Publicly traded securities. Acceptance of unrestricted gifts generally does not require the prior approval of the Gift Acceptance and Recognition Committee. Gifts will be reported, credited, and recognized at the mean (average) of the high and low price of the stock(s) or bond(s) on the day the securities are transferred by the donor. The donor should notify VJT staff in advance of the securities being transferred, the number of shares, the intended gift date, and the intended designation, if any, of the gift (the designation is subject to the approval of the Gift Acceptance and Recognition Committee).

(2) Gifts in the form of closely held (including restricted) securities will be accepted only with the prior approval of the Gift Acceptance and Recognition Committee. Gifts will be reported, credited, and recognized at the value determined by a qualified independent appraiser retained by the donor. Donors must provide copies of any shareholder (buy/sell) agreements and copies of restrictions on transferability contained in the bylaws or reflected on the stock certificates.



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E. Real estate. Gifts of real estate may include land both improved or unimproved, detached single-family residences, condominiums, apartment buildings, rental property, commercial property, farms, and gifts subject to a retained life estate. All gifts of real estate must be approved in advance by the Gift Acceptance and Recognition Committee. Such gifts typically will be sold as soon as feasible after receipt, except in the case of gifts subject to a retained life estate.

To be considered acceptable, gifts of real estate must generally be:

- (1) Of sufficient value that VTDigger will realize a reasonable benefit from the gift, considering legal, administrative, and other costs likely to be incurred.
- (2) In sufficient condition to be ready for immediate sale.
- (3) Free from any liens, loans, encumbrances, government actions, regulatory suspension or oversight, or other special considerations that would place VTDigger in a position of incurring unacceptable expense, risk, or liability, or that would restrict the organization's ability to use the property in any manner it determines best for furthering its purposes, or that would place unacceptable burdens on VTDigger in maintaining the property prior to sale.

The Gift Acceptance and Recognition Committee will request appropriate documentation to confirm that these criteria are satisfied. Additional documentation, such as a qualified appraisal, an environmental audit, a market feasibility study, etc., may be required. It is the donor's responsibility to pay all costs involved in transfer of the property, including the cost of compliance with the above requirements.

F. Tangible personal property. Tangible personal property consists of assets that can be touched, handled, or moved by an individual. The most common tangible personal property assets include vehicles, art, stamp and coin collections, jewelry, furniture, or any other unique or collectible item owned by a donor.

- (1) General policies. Gifts of tangible personal property must be approved in advance by the Gift Acceptance and Recognition Committee, which will decide whether the gift will be retained or sold. Gifts may be accepted if they are free and clear of encumbrances and are of sufficient value to cover holding, maintenance, insurance, sale, and administrative costs. Appraisal is the responsibility of the donor. The donor also is responsible for any packing, shipping, in-transit security, and administrative costs until the property has been delivered safely and transfer of ownership to VJT is complete.
- (2) Decisions to retain gifts. In deciding whether to retain a gift of tangible personal property, the Gift Acceptance and Recognition Committee will consider the value of the gift in furthering VJT's mission or enhancing its history, as well as whether space



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is available to house the gift and whether there are maintenance, storage, shipping, or insurance costs associated with it.

G. Split-interest gifts. These are gifts that transfer assets on the condition that the assets are invested and that the proceeds provide the donor or the charitable donee with a defined level of income for a specified period of time or for life. If the donor reserves the right to change the terms of the gift, the value of the gift is not credited until it is realized without encumbrance.

(1) Charitable remainder trusts. Gifts from charitable remainder trusts are welcome and will be accepted. VJT is happy to be beneficiary of such trusts but will not serve as trustee or otherwise be responsible for administering the trust.

(2) Charitable lead trusts. Gifts from charitable lead trusts are welcome and will be accepted. VJT is happy to be the beneficiary of such trusts but will not serve as trustee or otherwise be responsible for administering the trust.

(3) Charitable gift annuities. VJT does not offer charitable gift annuities at this time.

H. Bequests. A bequest is a gift made in the donor's will. Gifts made in a donor's revocable trust that are effective at the donor's death are also treated as bequests. The donor can designate a specific amount, a percentage, or the remainder of an estate.

(1) Unrestricted bequests. Direct, unencumbered bequests, unrestricted as to use, are accepted as long as control of the underlying assets is transferred without expectation of receiving a benefit equal to the value of the transfer.

(2) Restricted bequests. A bequest with restricted use must be approved by the Gift Acceptance and Recognition Committee during the donor's lifetime. If VJT receives a restricted bequest that has not been approved in advance, the Gift Acceptance and Recognition Committee shall determine whether to accept the bequest. Donors who notify VJT that they have made unrestricted bequests, or restricted bequests that have been accepted, will be acknowledged and listed according to the Recognition Policies below (section 8).

I. Life insurance policies. VJT will accept ownership of cash-value life insurance policies with a minimum face value of \$1,000 if the policy to be gifted is fully paid-up as of the date of the gift, or if the policy is not fully paid-up and the donor pledges to pay future owed premiums directly to the insurance company until the policy is fully paid-up. Only individual gifts of cash-value life





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insurance will be accepted; insurance policies purchased by a group of individuals will not be accepted.

Gifts of term life insurance will not be accepted. VJT may choose to liquidate the policy for cash value net of any policy loans or other charges.

J. Designating VJT as a beneficiary. VJT will accept any proceeds it receives as a designated beneficiary (or an alternate beneficiary) of a life insurance policy, a deferred annuity contract, an Individual Retirement Account, a defined benefit plan, a 401(k) plan, a defined contribution (profit sharing) plan, or any other qualified plan, unless the designation imposes restrictions or a trust arrangement, in which case prior approval of the Gift Acceptance and Recognition Committee is required. VTDigger will accept beneficial interest in an insurance policy without any minimum, but reserves the right to decline to pursue receipt of funds offered under such interest. Donors who notify VJT that VJT has been designated as a beneficiary will be acknowledged and listed according to the Recognition Policies below (section 8).

K. Gift pledges. These are unconditional promises to give with payment terms defined by the donor. Pledge terms must be established in writing and may be subject to approval by the Gift Acceptance and Recognition Committee. Pledge terms are considered to represent a binding obligation of the donor.

## **6. Policies Regarding Endowed and Self-Liquidating Funds**

A. Establishing a new fund. Establishment of new endowed or self-liquidating funds requires a minimum contribution level and an approved covenant.

(1) Minimum contribution level. Establishing a new endowed fund or self-liquidating fund requires an initial gift of at least \$25,000. The principal amount of the original gift need not meet the minimum dollar requirement if the donor agrees to fully fund the endowment at the minimum dollar requirement within a specified and reasonable period of time.

The minimum dollar requirement for endowed and self-liquidating funds shall not apply to any such funds already established at the time this policy is adopted. The VJT reserves the right periodically to review and amend the minimum dollar requirements, but such action shall not be retroactive for funds already established and named.

(2) Approved covenant. A covenant is a document governing the operation and use of the fund. It is developed in consultation among the donor and VJT staff. In designating a fund for a specific purpose, the donor is encouraged to define that purpose as broadly as possible and to avoid detailed limitations or restrictions. The VJT Executive Director



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shall have the authority to sign fund covenants. Any covenant should meet these guidelines and must be approved by the VJT Board of Trustees and or Gift Acceptance and Recognition Committee.

B. Investment policies. Endowment and self-liquidating funds are invested according to investment policies established by the VJT Board of Trustees and/or the Gift Acceptance and Recognition Committee.

## 7. Exclusions

The following will be accepted, but will not be reported or credited as gift revenue:

- Contract revenue
- Underwriting revenue
- Contributed services, unless the services create or enhance non-financial assets or unless they require specialized skills and are provided by individuals possessing those skills that typically would need to be purchased if not provided by donation
- Earned income such as ticket income and event fees, unless payment is greater than the value of goods or services received, in accordance with applicable quid-pro-quo guidelines of the Internal Revenue Service
- Gifts and pledges, outright or deferred, that have been counted previously
- Sale of merchandise
- Investment earnings

## 8. Recognition Policies

We are committed to transparency in every aspect of funding our organization. Each year, VJT publishes a full list of donors and supporters, with all donors who give a total of \$5,000 or more in a single year separately listed as described below. We will accept anonymous donations for general support only, with the understanding that the expenditure of anonymous donations is made independently by our organization.

A. Gifts paid in full. Gifts received in full will be recognized for the value received at the time of receipt.

B. Pledges and commitments. Gifts pledged over a period of five years or less will be recognized at the full commitment value upon receipt of appropriate gift documentation. Other types of commitments will be recognized at the value determined pursuant to Section 5 of this document.

C. Group gifts. Gifts from a group of family members may be recognized for the combined total of gifts from the individual family members. The individual(s) who will receive



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recognition will be mutually agreed upon among themselves and communicated in writing to VJT. In cases where a gift is received from an organization composed of numerous individuals, recognition will be given to the organization rather than to the individuals.

D. Matching gifts. A donor whose gift is matched by a company or organization will receive the recognition appropriate to the giving level for the total of the personal and the matching gift. The donor will be credited for the matching gift when it is received. At that time the company or organization also will be credited with the matching gift so that it can be recognized appropriately.

E. Donor-advised funds. Gifts received from donor-advised funds are counted and externally reported (e.g., to the IRS) as coming from an organization, not an individual. However, the donor, not the organization, who made the original gift to the fund (and that person's spouse or partner, if applicable) will receive recognition for the full amount of the gift received when that information is provided.

## 9. Donors' Rights

Based on the standards established by the Association of Fundraising Professionals, VJT adheres to a Donor Bill of Rights, which provides that donors have the following rights:

- To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- To have access to the organization's most recent financial statements.
- To be assured that gifts will be used for the purposes for which they were given.
- To receive appropriate acknowledgment and recognition.
- To be assured that information about the donation is handled with respect and with confidentiality to the extent permitted by law and VJT's transparency policies.
- To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- To have the opportunity for their names to be deleted from VJT's mailing list.
- To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.





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## 10. Donors' Responsibilities

A. Counsel. Donors are encouraged to consult independent legal and tax counsel prior to making a gift, especially when contemplating non-cash gifts or future planned gifts. It is the donor's responsibility to retain appropriate independent counsel in these transactions.

B. Tax deductibility. Establishing the tax deductibility of gifts and determining their value for tax purposes is the responsibility of the donor, in accordance with IRS regulations. VJT complies with IRS reporting requirements.

The Gift Acceptance and Recognition Policy was adopted by the VJT Board of Trustees on July 1, 2021. All gift agreements shall be governed by the Gift Acceptance and Recognition Policy in effect at the time the original gift was accepted.