

CAMPAIGN GUIDELINES FOR COUNTING GIFTS AND RECOGNIZING DONORS

OCTOBER 2022



Sitar Arts Center is currently operating *Building the Next Stage: A Campaign for Sitar Next Door*, a major fundraising campaign to purchase Sitar Next Door and invest in Sitar's programmatic growth and financial future. The following gift and pledge guidelines are applied beginning March 27, 2019 and remain in force through the conclusion of the campaign.

This document defines and clarifies the guidelines for gift counting and recording, naming opportunities, and donor recognition to ensure uniform standards over time at Sitar Arts Center. These guidelines will be reviewed periodically until the conclusion of the campaign and revised as appropriate. The Chief Development Officer, working closely with the Executive Director, has responsibility for managing and applying these policies. Oversight approval of this policy shall rest with the Board of Directors.

GENERAL CAMPAIGN GUIDELINES

1. Outright gifts and pledges made or paid toward campaign objectives in any given fiscal year of the campaign will be counted to the campaign.
2. Multi-year pledges that are scheduled to be paid within the following timelines shall be counted in full to the Campaign. A pledge of \$1,000,000 or more may be paid over a seven-year period. A pledge of \$10,000 to \$999,999 may be paid over a five-year period. A pledge of \$2,000 to \$9,999 may be paid over a two-year period. All multi-year pledges require a written gift agreement between Sitar Arts Center and the donor. The gift agreement and other related gift instruments shall outline the terms of the pledge, including the amount, payment schedule, and designation of the gift. Verbal pledges will not be counted to the Campaign.
3. Only gifts and grants raised specifically towards the Building the Next Stage Campaign will count towards the campaign. Unrestricted annual gifts from individuals, including monthly Sitar Sustainers contributions, Gala support, and other annual fund contributions, do not count towards the campaign. Corporate sponsorships and grants from foundations and/or government raised for unrestricted general operations and/or restricted programs or projects that do not specifically outline contribution towards the Building the Next Stage Campaign in the grant/sponsorship agreement do not count towards the campaign. Individual, corporate, government, and foundation support dedicated to the campaign that meets guidelines put forth in Sitar Arts Center's gift acceptance policies, will be counted.
4. Gifts shall be counted to the campaign based on their value as determined by the criteria set forth by the U.S. Internal Revenue Service (IRS) for federal income tax purposes (commonly referred to as the income tax charitable deduction value).
5. Cash gifts, cash-equivalent gifts, and non-cash gifts of stock from the donor or made through third parties, such as Donor Advised Funds, in support of Campaign objectives will be counted in accordance with Sitar Arts Center's gift acceptance policies. Gifts in-kind and gifts of real estate will not be accepted toward the Campaign.

6. Estate intentions, including but not limited to bequests, beneficiary gifts of retirement plans and life insurance policies, and other deferred gifts in support of the Campaign objectives, may be recognized in support of the Campaign but the value of the gift will not count toward the stated financial dollar amount of the Campaign. For planned gifts to be recognized, the donor must provide Sitar Arts Center with a copy of the pertinent section of the estate document naming Sitar Arts Center and executed a written gift agreement with Sitar Arts Center.
7. Any gifts not otherwise designated by the donor will be counted toward fulfilling all campaign objectives. Gifts before 2021 largely funded the building purchase and later gifts are largely related to operating in the new building. Unrestricted campaign gifts will be applied as 1% to the 1724 Kalorama Purchase and Renovation; 40% to the Programming Expansion Funds; 45% to Operating Cash Reserves, and 14% to Campaign Costs. These allocations are at the discretion of Sitar Arts Center management and may be adjusted without notice.
8. Sitar Arts Center will list donors who provide support to the campaign on all relevant printed and digital materials, including but not limited to campaign reports, campaign website, and the campaign donor wall. Sitar Arts Center and the donor will agree on campaign gift recognition specifics in accordance with the signed gift agreement. If the donor provides a gift of \$250 or more to the campaign, they will be listed on donor wall at Sitar's 1700 Kalorama Facility or 1724 Kalorama Road Facility after the campaign concludes.
9. Naming opportunity for a physical space is available for gifts of \$50,000 and above. The space will remain named for 25 years, the lifetime of the donor, or the useful life of the space, whichever comes first, unless otherwise specified in the gift agreement. At the end of 25 years, the donor will be given first right of refusal to renew their named space with a renewed gift. Signage to indicate the named space will be mounted after the campaign concludes.
10. Naming opportunity for a restricted fund is available at \$100,000 and above. Restricted funds to support Campaign goals are designed to spend down through annual draws within one to five years of the original gift, at which time the naming expires.
11. All named physical spaces and restricted funds require a signed gift agreement prior to finalizing the named space or fund. Sitar Arts Center retains the right to revoke namings should the donor not fulfill the related pledge or should the name come into disrepute. The Executive Director and Board President are responsible for making name removal decisions based on individual gift or naming circumstance.
12. Additional counting and naming issues will be reviewed from time to time as appropriate. The Campaign Committee, Executive Director, Chief Development Officer, and Sitar Arts Center management will address all issues arising from these guidelines and will rule on exceptions.

Sitar Arts Center regularly produces and uses many gift and financial reports, each serving necessary and unique reporting or management purposes. Depending on externally prescribed rules or other standards, including Generally Accepted Accounting Principles (GAAP), these reports may employ different definitions for "gifts" or giving totals. These reports may not uniformly present giving totals in a way that makes them easy to compare or tie together. Sitar Arts Center management reconciles the numbers on an ongoing and regular basis, including a monthly reconciliation of fundraising and accounting reports. Sitar Arts Center generates reports to the Finance Committee, Board of Directors, and Sitar management. If you have any questions or concerns, please contact Essence Newhoff, Chief Development Officer, at (202)797-2145 x 101 or essence@sitarartscenter.org.