



Memorandum

Community Development

DATE: January 22, 2008

TO: Mayor and Council

FROM: Chris Salomone, Community Development Manager (x. 8294)
Steve Zastrow, Vice President, Netzel Associates, Inc.

SUBJECT: **Town Lake Donor Policy**

HISTORY & FACTS: Attached is the draft Rio Salado Foundation - Capital Development Program – Donor Recognition Guidelines. Staff will brief the Council on this document and seek direction to use these guidelines when accepting donations through the Rio Salado Foundation.

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RIO SALADO FOUNDATION
Capital Development Program

Donor Recognition Guidelines

Introduction

The Rio Salado Foundation (RSF) accepts contributions in support of its mission of ensuring the success of the Rio Salado Project as a major cultural, recreational and urban destination through the creation of public-private partnerships through a comprehensive and ongoing capital fundraising campaign.

These *Donor Recognition Guidelines* apply to all fundraising activities of RSF with respect to capital and endowment campaigns.

This document applies to the receipt of gifts, pledges and deferred gifts. RSF recognizes and appreciates the generosity of individuals, businesses, foundations and organizations that invest in its mission by supporting the various programs and services they offer to those in need. Recognizing the financial investment made by its private supporters demonstrates the importance of these partners in the fulfillment of its mission and ensuring the future of the organization.

In keeping with RSF's values and goals and in accordance with its views related to charitable giving, as well as to help the RSF achieve its stewardship and long-term development objectives, the following *Donor Recognition Guidelines* have been established to:

- Provide appropriate, timely and donor-centered recognition of all charitable contributions.
- Serve as a cultivation tool.
- Serve as a guide for the public recognition and acknowledgement of major donors.
- Provide a public record of philanthropic activity to encourage others to invest in the organization's mission.

RECOGNITION PRINCIPLES

- All contributions and/or documented pledges to RSF from individuals, corporations, foundations, associations and organizations will be recognized at the appropriate level. In the case of Board-approved campaigns, donors will be listed for the full amount of their pledge in the campaign final report, publications and other places, as appropriate.
- Gift-in-kind donors will be listed in the appropriate category, based on the fair market value of the gift.
- In the case of realized bequests, donors will be listed as "The Estate of ..." unless otherwise stipulated. The level of recognition and final value of the gift will be recognized.
- Donor recognition shall be subject to the donor's wishes as to confidentiality. Donors requesting anonymity shall be omitted from all public displays and publications.

MERGERS AND ACQUISITIONS

- Due to the sensitivities and dialogue needed following the merger of corporations and the potential cost to RSF of effecting a change of name, the gift record and the criteria for

combining the gift records of newly merged corporations will be reviewed on a case-by-case basis.

- While earnest effort will be made to update names (subject to donor instructions and a consideration of the costs involved) a merged or re-named company may not automatically have its name replaced (or, in the case of merged companies, be moved to a higher donor category solely based on the combined cumulative giving history of the merging companies).
- Changes of name will be adopted in the applicable fiscal year.

GIFT ACKNOWLEDGEMENT / RECOGNITION

Donor acknowledgement is an important component of any recognition program. Recognition helps ensure a consistent, planned and timely approach to donor relations. In addition to what is prescribed in these guidelines, RSF staff will take the initiative to customize 'thank you' activities as appropriate. General guidelines include acknowledgment with:

- Official (tax) receipt and letter of appreciation from the Campaign General chair and Executive Director and/or the Board president (within 48 hours of receiving gift).
- Invitation to attend campaign celebration at conclusion of the campaign.
- Listing in campaign final report.
- Placement of name on a permanent donors wall within the Town Lake area.*
- Customized recognition plan that best meets donor's needs (i.e. naming opportunity). **

** Denotes benefit associated with gifts and pledges of \$1,000 or more*

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NAMING OPPORTUNITIES

The naming of a building or program reflects the importance of the donor to the realization of the RSF's mission and vision. In addition, the donor's name can add prestige to the building or program. RSF takes naming opportunities seriously and careful consideration will be given before any named opportunity is approved. RSF maintains an ongoing discretion as to the applicable thresholds and criteria.

- A list of naming opportunities will be created and maintained by RSF, with the approval of the Board of Directors and the Tempe City Council. This will include naming opportunities within the new facilities.
- It is expected that each naming opportunity will recognize donors according to their level of commitment to a capital campaign or ongoing charity mission. Consideration will be given to the recognition value of the named space and is not tied to construction or replacement value.
- It is RSF's practice that naming opportunities begin at \$25,000 with the size and profile of named facilities increasing proportionately with the size of the gift.
- The naming recognitions of specific contributions to RSF other than financial donations will require the approval of the Board.
- The naming of buildings and other areas such as plazas and park spaces; and wings of buildings will require the approval of RSF Board of Directors and the Tempe City Council.
- A permanent donor recognition installation listing all those who contributed \$1,000 and above to RSF will be established in an appropriate, central location within the Town Lake

area. This may take the form of a donor's wall or another format suitable to the site of installation. The RSF will make recommendations concerning this installation and coordinate with the appropriate parties.

- Naming opportunities may be granted to recognize donors whose strong relationship and commitment to the organization has culminated in a significant outright gift, a significant irrevocable deferred gift, or a significant pledge that is binding on their estate. These naming opportunities may be granted to the following:
 - In the case of individuals, families, foundations, service clubs or other charitable organizations, the naming opportunity will continue for the useful life of the facility.
 - Corporations or other business entities may be awarded the "naming right" for a term of years that may be less of the useful life of the facility.

RETIREMENT AND DISCONTINUANCE

The Board of Directors and/or the Tempe City Council retains the right to retire or discontinue a naming agreement as follows:

- If a facility has come to the end of its useful life or a facility requires significant and extensive renovation.*
- When the term of years specified in the agreement has expired.*
- At the request of the donor, the donor's family, or the donor's appointed representative.*
- If the naming opportunity is no longer aligned with RSF's charitable mission.
- If a donor fails to complete the financial commitment that gave rise to the naming opportunity in a timely manner.
- If the recognized name is that of a corporation or business entity that has ceased to exist.
- If the recognized name is associated with activities such that the name takes away from the prestige of RSF, or dishonors, or embarrasses RSF.
- Under extraordinary circumstances, when it is in the best interest of RSF.

** At a minimum, RSF will retain a historical display of all naming opportunities that were formally accorded but later retired as a result of these conditions.*

FORMALIZING THE AGREEMENT

Each naming opportunity shall have a written gift agreement setting forth the terms of the agreement, including the following:

- The financial commitment being recognized.
- The facility area to be named.
- The exact name to be used for recognition purpose.
- The opportunity for the donor to review the Board policy on naming opportunities, if requested.