

Just Say Yes (to all kinds of planned gifts)

Viken Mikaelian May 13, 2015

**Personal preferences can't interfere
with gift acceptance.**

Betsy Suppes

In last year's spring issue of this magazine I wrote an article called "A Gold Strike" about how non-profits should include "the ask" for gifts of mineral rights on their websites. Shortly afterwards, I received an email from an advancement officer who thought that no "self-respecting non-profit organization should consider a gift of mineral rights, particularly ones involving hydrocarbons."

Her objections stemmed from personal opposition to hydraulic fracturing. But since she represented an academic institution, I welcomed an exchange of information, since that is the goal of education. Over the next couple of days, the advancement officer and I exchanged several emails. I asked if she would accept Chevron stock. Her answer: "Of course. We accept appreciated stock." I reminded her that it is a "back-door" yes to mineral rights. In subsequent conversations, we agreed to read articles from each other's point of view.

Although we never came back to discussing the articles, it begs the question: Should personal opinion stand in the way of a major gift to an institution? What would happen if a donor gifted a piece of art and the advancement officer didn't like the piece? Or what about a major gift from a business made successful by overseas factories when the gift officer is strongly opposed to outsourcing?

A revenue stream from mineral royalties can be a significant contribution to a non-profit's endowment or operating budget. Royalties can also come from songwriters, playwrights, motion pictures, software, trademarks, patents, and franchises. An advancement officer may have a personal objection or may dislike the particular intellectual property the donor has to offer. However, mineral interests may be the one gift that your donor can give.

Non-profits need to have a gift acceptance policy. When your donors are organizing their estate plans, they often have more than one

charitable organization they care about, and if you won't take their mineral rights (or their artwork), someone else will.

Advancement officers' personal beliefs should not get in the way of accepting a gift. But that doesn't mean those beliefs should be disregarded entirely. There is often more than one way to accept a gift. For example, a recent client requested an evaluation of a gift of mineral interests. The organization accepted the gift and shortly afterwards sold the rights to another group. This solution was a win-win. The donor was able to gift the mineral interests, and the non-profit was able to monetize the gift.

Donors and gift officers, like all people, have a variety of economic, religious, political, and ethnic backgrounds. Our motives and philosophies are rarely cut and dry. If a donor wants to support the mission of the organization, and if the gift is meets the gift acceptance policy, the gift officer has an obligation to the organization to accept the gift.

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