

# System Dynamics Society Gift Acceptance Policies

The System Dynamics Society (Society) is a not-for-profit organization organized under the laws of the Commonwealth of Massachusetts of the United States and a qualified 501(c)(3) tax-exempt organization under the United States tax code. The Society encourages the solicitation and acceptance of gifts to the Society for purposes that will help the Society to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to the Society for the benefit of any of its programs.

As stated in the [Articles of Organization](#) and [Bylaws](#) the mission of the System Dynamics Society is to:

1. to identify, extend and unify knowledge contributing to the understanding of feedback control systems
2. to promote the design of structures and policies to improve the behavior of such systems
3. to promote the development of the field of system dynamics and the free interchange of information about systems as they are found in all fields of endeavor
4. to promote the dissemination of information on such topics to the general public, and
5. to encourage and develop educational programs in the behavior of systems.

## I. Purpose

These policies provide a set of standards for reviewing and accepting gifts to the Society. Staff and volunteers should use it to guide communication with current and prospective donors about the gifts that the Society readily accepts, those that the Society does not accept, and those that require additional review. For potential gifts that require additional review, this document is intended to facilitate an efficient yet thorough decision-making process. These policies shall apply to all gifts received by the Society for any of its programs or services.

## II. Conflict of Interest

The Society staff and volunteers cannot provide legal, financial, or tax advice to donors and prospective donors. In all cases, the Society will urge prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts so that they receive a full and accurate explanation of the proposed charitable gift.

The Society does not pay fees to any person or organization in consideration of directing a gift to the Society.

In accordance with the [Association of Fundraising Professionals' Code of Ethical Standards](#), no fundraiser is paid commission, compensated based on a percentage of funds raised or compensated on a contingent basis.

The Society endorses both the [Donor Bill of Rights](#), developed by the Association of Fundraising Professionals and the [Model Standards of Practice of the Charitable Gift Planner](#), developed by the [National Association of Charitable Gift Planners](#).

### III. Donor Privacy

The Society holds all communication and information concerning donors and prospective donors in the strictest confidence. Information concerning a donor or prospective donor will be released only if permission is first obtained from the donor or there is an enforceable request from government agencies and courts with the appropriate jurisdiction.

Donors may request and receive a complete copy of their records.

The Society does not sell, rent, or share its donor and mailing lists.

### IV. Restrictions on Gifts

The Society will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities and determined to be in the best interests of the Society. The Society reserves the right to decline any gift, including those that may be discriminatory, are purposed outside of the mission, or may be too difficult to administer.

All gifts must be made to a designated or restricted fund that has been duly constituted and approved by the Policy Council. The Stewardship Committee may make recommendations for, and will be consulted on, the creation and modification of any designated or restricted funds.

### V. Types of Gifts

- A. The Society *will accept* the following gifts from individuals, corporations, trusts, donor advised funds and other sources consistent with the laws of the state of Massachusetts. Such gifts will be recorded as income at the time they are received.

Cash and cash equivalents. Cash up to \$200 per year per person is acceptable in exchangeable currency. Checks negotiable at U.S. banks, money orders, wire transfers, electronic funds transfers, and credit and debit card transactions as accepted without limitation.

Marketable securities. The Society readily accepts gifts of securities, including stocks, bonds, exchange traded funds, and mutual funds that are publicly traded on US exchanges. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Finance Committee. Any financial instrument with restrictions on liquidation (because of law, statute, or contract) must be reviewed by the Finance Committee before being accepted.

IRA Qualified Charitable Distribution. An US based IRA Qualified Charitable Distribution (QCD) is acceptable at the correct age of the donor (currently age 70 ½ and older).

- B. In general, the Society will accept the following **planned giving gifts** upon due diligence and review. Such bequests will not be recorded as gifts to the Society until such time as the gift is irrevocable. When the gift is irrevocable but is not due until a future date or dates, the present value of that gift may be recorded at the time the gift becomes irrevocable in accordance with GAAP.

Bequests. Bequests to the Society under a will or trust.

Retirement Plan Beneficiary Designations. Donors and supporters may name the Society as

beneficiary of their retirement plans.

Life Insurance Beneficiary Designations. Donors and supporters may name the Society as beneficiary or contingent beneficiary of their life insurance policies.

Endowed Fund (\$1,000,000 minimum) This category is for a specific project or in perpetuity support of a designated activity. Each such gift will be negotiated individually with the System Dynamics Society subject to the restrictions outlined in paragraph IV.

C. In general, the Society *will not accept* gifts other than those listed above, including real property, nonnegotiable securities, and in-kind gifts, but may give them consideration upon due diligence and review. Criteria for acceptance of the property shall include:

- Is the property useful for and consistent with the purposes of the Society?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does an environmental audit reflect that the property is not damaged?

Acceptance of such gifts require the approval of the Finance Committee or the Policy Council.

## VI. Miscellaneous Provisions

For all gift types, the Society will abide by the prevailing legal restrictions and limitations.

Responsibility for IRS Filings upon sale of gift items. The Society is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within three years of receipt by the Society when the charitable deduction value of the item is more than \$5,000. The Society must file this form within 125 days of the date of sale or disposition of the asset.

Acknowledgement. All gifts made to the Society and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the Stewardship Committee or the Executive Director as required by the Policy Council of the Society.

No designation. Donations with no designation will be placed in the Annual Fund.

Dissolution. If the System Dynamics Society is disbanded, all designated funds will be transferred to other organizations in accordance with the [Policies](#) of the System Dynamics Society and applicable law. All restricted funds will be transferred in accordance with the dissolution rules of the respective fund.

Contingency/Alternative Use. The Policy Council shall have the power to modify any restriction or condition on the use or distribution of a fund if, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable, educational, or scientific needs of the community served by the System Dynamics Society.

Naming Guidelines: The Society encourages the naming of endowments to honor the distinguished

contributions of donors to our organization. Naming practices will be consistent with industry standards and best practices that follow all ethical guidelines and applicable laws and statutes.

## VII. Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Policy Council of the Society. They will be updated periodically based on actions of the Policy Council.

Adopted August 31, 2022 by vote of the Policy Council.