

Chapter 255-30 WAC

WASHINGTON STATE HISTORICAL SOCIETY—GIFTS, GRANTS, CONVEYANCES, BEQUESTS AND DEVICES

WAC

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WAC 255-30-010 Purpose. Washington state historical society (society) has the power and authority to accept gifts, grants, conveyances, bequests, of real or personal property or both, whether or not these are held in trust or otherwise. It is also authorized to sell, lease, exchange, invest, or expend the same or the proceeds from rents, profits, and income except as limited by the donor's terms. The society is required by law to adopt rules to:

(1) Govern and protect the receipt and expenditure of the proceeds, rents, profits, and income of all gifts, grants, conveyances, bequests and devices to the society;

(2) Ensure compliance with state and federal laws, rules and regulations, society policies, and professional standards of ethical and donor-centered fund-raising; and

(3) Provide protocols for individuals soliciting or accepting gifts on behalf of the society.

The purpose of these rules is to fulfill the society's legal responsibility to adopt these rules.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-010, filed 11/20/18, effective 12/21/18.]

WAC 255-30-020 Definitions. (1) "Bequest" means property or money that an individual promises to give to another person or organization after he or she dies.

(2) "Bond" means an official document in which a government or company promises to pay back an amount of money that it has borrowed and to pay interest for the borrowed money.

(3) "Conveyance" means the transfer or delivery of an item to another, commonly used to describe the transfer of title to land from one person to another by deed.

(4) "Device" means a testamentary disposition of land or realty, a gift of real property by the last will and testament of the donor.

(5) "Washington state historical society" means a 501(c)(3) corporation and a trustee for the state of Washington pursuant to chapter 27.34 RCW. The society is responsible for collecting, cataloging and preserving objects, manuscripts, sites, photographs and other items that illustrate the cultural, artistic, and natural history of the state and in this capacity operates a state museum, which supports cultural,

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artistic, and educational activities and performs other responsibilities as required pursuant to RCW 27.34.070.

(6) "Grant" means to legally or formally transfer a possession.

(7) "Personal property" means something that is owned by a person, business or other entity such as goods, money, notes, bonds, stocks, merchandise, furniture, etc. It does not include land, an interest in land, buildings, or items affixed to the land.

(8) "Real property" means land, including all natural resources, and generally whatever is erected or growing upon or affixed to the land including buildings and crops.

(9) "Restricted gift" means an item that is voluntarily conveyed or bestowed to the society without compensation. It may include money, securities, stocks, bonds, negotiable instruments, and real or personal property. The donor imposes conditions of ownership, retention, disposition or use of the item given.

(10) "Security" means an instrument of investment in the form of a document (such as a stock certificate or bond) providing evidence of its ownership.

(11) "Stock" means a share of the value of a company which can be bought, sold, or traded as an investment.

(12) "Trust" means property, real or personal, or money held by some person, firm or corporation for the benefit of the society.

(13) "Unrestricted gift" means an item that is voluntarily conveyed or bestowed to the society without compensation. It may include money, securities, stocks, bonds, negotiable instruments, and real or personal property. The donor does not specify the imposition of any conditions as to the ownership or use of the gift.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-020, filed 11/20/18, effective 12/21/18.]

WAC 255-30-030 Procedures for accepting gifts. (1) Donors: The society greatly values its donors and their support of the society. Society staff will treat donors with respect and professionalism. Donors will be acknowledged and thanked for their gifts in writing within a reasonable period of time, generally not to exceed one month.

(2) Donor intent: Society staff and representatives agree to respect and carry out the intentions of the donors whose gifts, grants, conveyances, bequests, or devices have been accepted by the society.

(3) Gift documentation: The society will document the receipt of all gifts.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-030, filed 11/20/18, effective 12/21/18.]

WAC 255-30-040 Income tax charitable deductions. Receipts shall be issued for gifts that qualify for income tax charitable deductions.

(1) Cash and checks: Cash and checks may be accepted regardless of the amount. The value of any cash or check gift is its face value. Checks should be written to the Washington State Historical Society or WSHS.

(2) Real or personal property: If the gift is personal or real property the society may document the value of the gift as it was formally appraised or accept the donor's stated value as a good faith estimate. For gifts valued at \$5000 or greater the donor must provide an independent professional appraisal.

(3) Life insurance: If the donor named the society as the beneficiary of a new or existing whole life insurance policy, the designation will be recorded as a gift, at its present value, when the gift becomes irrevocable. Alternatively, when the society is named as both beneficiary and irreversible owner of a whole life insurance policy, it will be recorded as a gift.

(4) Charitable remainder trusts, charitable lead trusts, and willed bequests: The income from a trust and/or a willed legacy will be recorded as a gift, at its present value, when a gift becomes irreversible.

(5) Retirement plan beneficiary designations: If a donor designates the society as a beneficiary of his or her retirement plan, it will be recorded as a gift, at its present value, when the gift becomes irreversible/permanent.

(6) Gifts in-kind: These include gifts of time and services. The society will record the donation of time and services, but will not identify a dollar value.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-040, filed 11/20/18, effective 12/21/18.]

WAC 255-30-050 Donations to the society. (1) When the society receives a donation, it shall comply with all the rules and regulations related to gift giving for gifts it receives directly. Those rules are found in state, federal and corporate law related to:

(a) State entities and public 501 (c)(3) corporations;

(b) Federal and state laws and regulations that apply to the society as a 501 (c)(3) corporation including, but not limited to, the U.S. Internal Revenue Service Code; and

(c) Professional standards of ethical and donor-centered fund-raising.

(2) The society may hold endowed funds for the long term benefit of the society that are managed by a committee of the board or by an independent investment manager.

(3) Private funds donated directly to the society shall be held consistent with all state rules and regulations governing expenditure of those funds.

(4) Permanently restricted and temporarily restricted funds shall be kept in a separate line account as non-lapsing funds of the society together with earned interest and shall be used in accordance with the directions provided by the donor.

(5) Unrestricted funds shall be retained in the society's general cash account(s). Disbursement shall be made by the executive director in accordance with the board of trustees-approved Society budget.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-050, filed 11/20/18, effective 12/21/18.]

WAC 255-30-070 Deferred gifts. (1) The society welcomes and encourages deferred gifts such as:

(a) Charitable remainder trusts;

(b) Charitable lead trusts; and

(c) Testamentary bequests.

(2) Society trustees and staff members shall not serve as an executor (personal representative) for a donor's estate.

(3) Society trustees and staff members shall not serve as trustee or co-trustee on a charitable remainder trust or a charitable lead trust.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-070, filed 11/20/18, effective 12/21/18.]

WAC 255-30-080 Tangible personal property requirements. (1) The following requirements apply to tangible personal property that is donated with the intent for the society to sell and do not apply to donations of artifacts for the collection:

(a) Acceptance of personal property is contingent on formal approval of the society's board of trustees. The board may delegate authority for approval with formal action which identifies who has delegated authority, and the limits of any such authority;

(b) Acceptance of property shall not violate any federal, state or local statute or ordinance; and the purposes for which the item is being donated are permissible under the state expenditure rules which apply to donations to the society;

(c) All tangible property shall be valued by the proceeds from the sale or by a qualified appraisal;

(d) The society must be able to dispose of the property within a short time, normally not to exceed six months following the receipt of the gift; and

(e) The society shall adhere to all IRS requirements relating to the disposition of gifts of tangible personal property and shall provide appropriate forms to the donor and IRS where required.

(2) The following requirements apply to tangible personal property that is donated with the intent for the society to maintain:

(a) Acceptance of property shall not violate any federal, state or local statute or ordinance;

(b) The purpose for which the item is being donated shall be permissible under the state expenditure rules which apply to donations to the society;

(c) Acceptance of personal property is contingent on formal approval of the society's board of trustees. The board may delegate authority for approval with formal action which identifies who has delegated authority, and the limits of any such authority.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-080, filed 11/20/18, effective 12/21/18.]

WAC 255-30-090 Acceptance of artwork. In addition to the considerations outlined in WAC 256-30-080, prior to the acceptance of art, the society shall comply with the additional requirements of the society's *Collections Management Policy and Collecting Policy*.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-090, filed 11/20/18, effective 12/21/18.]

WAC 255-30-100 Acceptance of real estate. (1) The society may accept gifts of developed or undeveloped real estate. The following requirements apply to the acceptance of real estate:

- (a) Acceptance of real estate is contingent on formal approval of the society's board of trustees;
- (b) Acceptance of property shall not violate any federal, state or local statute or ordinance;
- (c) The purpose for which the property is being donated shall be permissible under the state expenditure rules which apply to donations to the society;
- (d) The donor agrees that the property can be sold at the society's discretion;
- (e) The donor may be responsible for obtaining and paying for an appraisal of the property. The appraisal must be performed by an independent, qualified appraiser;
- (f) The society's board of trustees may require the donor provide an environmental appraisal of any proposed gift of real estate;
- (g) The donor may be asked to pay for all or a portion of the following:
 - (i) Maintenance costs;
 - (ii) Real estate taxes due prior to date of conveyance;
 - (iii) Insurance;
 - (iv) Real estate broker's commission and other costs of sale; and
 - (v) Preliminary title report costs; and
- (h) The property shall be conveyed by warranty deed prior to the execution of any contract of sale by the grantor.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-100, filed 11/20/18, effective 12/21/18.]

WAC 255-30-120 Acknowledgment—Receipt for gifts. On delivery of any contribution, the society will, to the best of its ability, provide a written acknowledgment of the receipt of a gift within 30 days.

[Statutory Authority: RCW 27.34.070. WSR 18-23-088, § 255-30-120, filed 11/20/18, effective 12/21/18.]

