

THE METROPOLITAN MUSEUM OF ART

Gift Acceptance Policy

The Metropolitan Museum of Art (the “Museum”) encourages the solicitation and acceptance of gifts from numerous thoughtful supporters that will help the Museum to further and fulfill its mission. In order to be assured that the Museum is a responsible steward of these gifts and that these gifts are in the best interest of the Museum, the Board of Trustees of the Museum first adopted the following policy (the “Policy”) as of January 14, 2014, and has further amended the Policy, most recently as of March 2, 2021.

I. Purpose of the Policy

The purpose of the Policy is to govern the acceptance by the Museum of lifetime gifts, pledges, bequests, and other planned gifts, and to provide guidance to prospective donors. The Policy applies to all gifts received by the Museum.

II. Gift Review Committee

Any gift that does not comply with this Policy must be reviewed and approved by the Gift Review Committee, which is composed of the head of Development, the Chief Financial Officer, and the Secretary and General Counsel. As indicated below, certain proposed gifts (such as gifts of art and real estate and naming and other significant gifts) require the approval of the Board of Trustees or the Executive Committee.

III. Compliance with Tax Laws and Requirements

The Museum shall comply with all tax laws and other legal requirements regarding gifts.

Unusual aspects of, or structures for, proposed gifts should be reviewed by the Counsel’s Office. The Museum will not knowingly facilitate a donor claiming an improper tax deduction or other benefit. No proposed gift shall be accepted if it generates an improper private benefit for the donor or if the proposed gift is an excess benefit transaction (as defined under section 4958(c) of the Internal Revenue Code of 1986, as amended).

The Museum shall comply with all Internal Revenue Service reporting requirements, including, upon a donor’s request, the completion of the donee statement of IRS Form 8283 and, where applicable, the filing of IRS Form 8282.

The Museum shall acknowledge all gifts in writing to the extent required by law.

Donors are responsible for obtaining appraisals of gifts where required for the donor’s tax return. The Museum does not select the appraiser, hire the appraiser, or pay for such appraisals.

Donors are responsible for seeking independent legal and tax advice in advance of making a gift to the Museum.

IV. Gift Agreements and Pledges

A gift agreement is required for all gifts and pledges of \$100,000 or more, and may be required for gifts or pledges below that level.

Pledges for specific art acquisitions must be paid within the fiscal year in which the purchase is made.

All other pledges must be paid within five (5) years. The pledge payment schedule for a particular gift will be recorded in the applicable gift agreement.

Any significant deviation from the Museum's standard template agreement requires the approval of the Gift Review Committee.

All significant gifts and pledges require the approval of the Gift Review Committee and, if the Gift Review Committee so determines, may require the approval of (a) any relevant programmatic areas or departments as determined by the Gift Review Committee, (b) the President, (c) the Director, (d) the Development Committee, and (e) the Board of Trustees or the Executive Committee.

V. Endowment Gifts

A minimum gift of \$100,000 is required to create a separate endowment fund at the Museum. Gifts at lower levels may be added to existing endowment funds.

VI. Indirect Cost Sharing

The Museum has implemented an indirect cost sharing policy to help defray the administrative expenses associated with restricted gifts and the specific programs and activities funded by these gifts. These administrative expenses include, for example, finance, fundraising, external relations, information technology, security, legal, human resources, and maintenance. The Museum applies an indirect cost sharing rate to (a) dues paid to the Museum's Friends Groups, (b) annual appropriation from the Museum's restricted endowment and quasi-endowment funds, and (c) new restricted spendable gifts (excluding any such gifts that support capital projects (including in-house capital projects), the acquisition of specific works of art, exhibitions, and publications). The exact percentage of the rate may be revised from time to time by the Board of Trustees.

VII. Naming and Recognition

A. Naming Opportunities

The Museum's Development Office maintains a list of current naming opportunities at the Museum. Naming opportunities are generally available in the following areas:

- Galleries / Other Spaces
- Curatorships / Other Positions

In accordance with New York City policy regarding donor recognition at City-owned buildings, a gallery or other space within the Museum may be named for a period not to exceed fifty (50) years.

All naming gifts must be reviewed and approved by (i) the Gift Review Committee, (ii) any relevant programmatic areas or departments as determined by the Gift Review Committee, (iii) the President, (iv) the Director, (v) the Development Committee, and (vi) the Board of Trustees or the Executive Committee.

B. Recognition Opportunities

The Museum's Development Office also maintains a list of current recognition opportunities, which are generally available in the following areas:

- Exhibitions
- Publications
- Education Programs
- MetLiveArts Programs

Donors who support these programs are recognized based on the size of the gift, in accordance with Museum standard crediting procedures.

After the supported program has been fully funded, the Museum may use any excess funds to support other exhibitions/publications/education programs/MetLiveArts programs, as applicable.

C. Acquisitions of Art

Donors are also recognized for contributions made to support the acquisition of art, subject to the Museum's current crediting guidelines and policies.

VIII. Restrictions on Gifts

A. Gifts other than Art

At the discretion of the head of Development, any proposed gift to the Museum (other than art) that is subject to restrictions pertaining to use may be reviewed by the Gift Review Committee to ensure that the restrictions are consistent with the mission and administration of the Museum. In the event that the restrictions are inconsistent with the Museum's mission, its administrative principles, public policy, or the law, the Museum shall decline the gift.

Donors who are interested in supporting a particular curatorial department are encouraged to give to pooled funds established for that department.

B. Gifts of Restricted Securities

The Museum generally does not accept securities that are subject to restrictions as to sale or liquidation.

C. Gifts of Art

The Museum generally does not accept restrictions on gifts of art; any exceptions require approval by the Board of Trustees.

IX. Types of Gifts Accepted by the Museum

A. Gifts of Cash or Publicly-Traded Securities

The Museum accepts gifts of cash and publicly-traded securities. The President, Director, Chief Financial Officer, Chief Investment Officer, Secretary and General Counsel, and head of Development, or their designees, are authorized to accept gifts of cash or publicly-traded securities.

B. Gifts of Closely-Held Stock or of Interests in Partnerships, Subchapter S Corporations or Limited Liability Companies

In considering whether to accept gifts of closely-held stock or interests in partnerships, subchapter S corporations, or limited liability companies, the Museum thoroughly examines all aspects of the proposed gift, including (1) the value of the proposed gift (potentially obtaining an independent appraisal), (2) the marketability of the proposed gift, (3) any restrictions on transfer, (4) whether the proposed gift will generate unrelated business taxable income, and (5) whether acceptance of the proposed gift could expose the Museum to any liability. The President, Director, Chief Financial Officer, Chief Investment Officer, Secretary and General Counsel, and head of Development, or their designees, are authorized to accept gifts of closely-held stock or interests in partnerships, subchapter S corporations, or limited liability companies, following the review and recommendation of the Gift Review Committee.

C. Gifts of Art

All proposed gifts of art to the collection of the Museum must be recommended by the curatorial staff and approved by the Director and the Board of Trustees or the Executive Committee in accordance with the provisions of, and procedures set forth in, the Museum's Collections Management Policy and By-Laws. The President, Director, Secretary and General Counsel, and Assistant Secretary are authorized to confirm to donors the Board of Trustees' or the Executive Committee's acceptance of gifts or bequests of art following the vote of the Board of Trustees or the Executive Committee.

D. Gifts of Tangible Personal Property Other than Art

In considering whether to accept a proposed gift of tangible personal property other than art, the Museum considers (1) whether the proposed gift is related to the Museum's mission (e.g., resources for the Museum's Education Department or books for the Library), (2) the financial value of, and any potential liabilities associated with, the proposed gift, (3) the costs associated with receiving, maintaining, or selling the proposed gift (including costs of insurance, shipping, storage, care, and/or appraisals), (4) any restrictions on the use or sale of the proposed gift, and (5) whether, if appropriate, the proposed gift can be sold easily without significant cost. The President, Director, Secretary and General Counsel, Chief Financial Officer, and head of Development, or their designees, are authorized to accept gifts of tangible personal property other than art. Any significant or unusual gifts of tangible personal property other than art should be reviewed by the Gift Review Committee in advance of acceptance.

E. Gifts of Real Estate

Proposed gifts of real estate must be approved by the Gift Review Committee and the Board of Trustees or the Executive Committee. In determining whether to accept such gifts, the donor will be asked to disclose, and the Gift Review Committee will thoroughly review, all potential benefits and burdens associated with the proposed gift and evaluate (1) the value of the proposed gift, (2) whether there are any financial, environmental, or other liabilities that would be required to be assumed upon acceptance of the proposed gift, (3) the costs of carrying the property, including but not limited to insurance, property taxes, and maintenance, (4) whether the property would be useful to the Museum, (5) whether the property would be readily marketable, (6) whether the property is subject to any liens, easements, restrictions, or other limitations, and (7) whether the gift is a straightforward outright conveyance of a fee simple interest or whether the gift is in another form (e.g., a gift of a remainder interest or a gift of real estate to a charitable remainder trust). Real estate transactions must be authorized and executed by the President, Director, Chief Financial Officer, or Secretary and General Counsel.

F. Life Income Gifts

Proposed life income gifts will be reviewed for acceptance under the guidelines established, as appropriate, by the Museum's senior planned giving officer, in consultation with the Gift Review Committee. Charitable gift annuity agreements must be signed by the President, Chief Financial Officer, Chief Investment Officer, Secretary and General Counsel, or Assistant Secretary.

G. Life Insurance

The Museum may accept gifts of paid-up insurance provided that all rights and incidents of ownership are irrevocably transferred by the donor to the Museum. The Museum shall review on a case-by-case basis the circumstances under which the Museum shall accept partially paid-up policies where continuing premiums are due and/or a restriction is made on the gift. The President, Director, Secretary and General Counsel, Chief Financial Officer, and head of

Development, or their designees, are authorized to accept such policies. Notwithstanding the foregoing, the Museum may be named primary or secondary beneficiary of any life insurance policy.

H. Other Gifts

The Museum may accept other types of gifts on a case-by-case basis with the approval of the Gift Review Committee.