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Wake County Smart Start
Board of Directors Meeting
December 3, 2025

A meeting of the Wake County Smart Start (WCSS) Board of Directors was held on Wednesday, December 3, 2025, with Chair Nikia Coates presiding.

Board Members present: Kelsey Camarena, Nikia Coates, Susan Evans, Ariel Ford, Matthew Ellinwood, Matthew Glova, Jason Horton, Kerry McCarthy Adams, Joe White, Michele Woodson

Board Members absent: André Anthony, Veronica Creech, Nikki Leonard, Ronetta Pearsall, Stephanie Shell, Antonia Pedroza, Tonya Venable, Katherine Williams

Staff Members present: Gayle E. Headen, Gary Carr, Joan Crutchfield, Sasha Gomez, Caroline Janes, Alex Livas-Dlott, Carol Orji, Taylor Young

Call to Order/Announcements

At 8:45 AM, Chair Nikia Coates recognized a quorum and called the meeting to order. She called attention to the presence of staff members.

Ms. Coates requested a motion to adopt the agenda. Susan Evans moved to adopt the agenda. Joe White seconded the motion. Calling for a vote and with none opposed, the motion carried. (12-3-11)

Mission Moment

Ms. Coates introduced Caroline Janes, Systems and Family Support Specialist, to present the Mission Moment. Ms. Janes shared that Wake Connections is a coordinated intake system for home visiting and group family support programs serving prenatal through five years. One application can provide access to services with up to 13 providers. The goal of Wake Connections is to provide a space to build community, promote effective shared processes, and support our partners in providing high-quality services.

Consent Agenda

Ms. Coates requested a motion to adopt the consent agenda. Michele Woodson moved to adopt the consent agenda including the Minutes of the October 22, 2025 Board of Directors Meeting and October 2025 Financial Reports. Ariel Ford seconded the motion. Calling for a vote and with none opposed, the motion carried. (12-3-12)

Committee Reports

Advancement Committee

Kerry McCarthy Adams reported to the Board on behalf of the Advancement Committee. Ms. McCarthy Adams shared that the Pastries with Partners event was a success. There were 120 RSVPs, and the final attendance count should be available soon. The Advancement Committee sent out an end-of-year appeal. Ms. McCarthy Adams asked Board members to let Rob Linens know if they have not received one. Emails were also sent on Giving Tuesday. Nikia Coates and Sherry Heuser agreed to help with donor outreach by making individual calls. The Committee has also been discussing the 30th anniversary, an endowment update, and Gift Policy. The goal for the 30th anniversary is to raise $300,000 and to launch an endowment.

The Advancement Committee discussed the Gift Policy. During their meeting, Mr. Linens shared with the Committee that Board approval would be required for gifts over $1,000,000. The Committee has agreed with the policy as rewritten. Ms. McCarthy Adams asked if there were any questions, and none were asked.

Ms. Coates asked if there was a second to adopt the Gift Policy presented by the Advancement Committee. Joe White seconded the Gift Policy Acceptance as follows:

Gift Acceptance Policy

1. **Introduction and Purpose**

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This Gift Acceptance Policy outlines the principles, procedures, and guidelines for the acceptance of gifts by Wake County Smart Start (WCSS) and its Advancement Team. This Policy aims to ensure that all gifts are accepted in a manner consistent with WCSS's mission, ethical standards, legal obligations under North Carolina State and Federal laws, and the best practices recommended by professional organizations such as the Association of Fundraising Professionals (AFP).

This Policy aims to:

- Provide clear guidance to donors and WCSS staff regarding acceptable gifts.
- Protect WCSS's charitable status and reputation.
- Ensure that gifts align with WCSS's strategic goals and operational capacity.
- Facilitate responsible stewardship of all contributions.

2. Guiding Principles

WCSS is committed to ethical fundraising and donor relations. The following principles will guide all gift acceptance decisions:

- Mission Alignment: Gifts must support WCSS's mission to ensure that all Wake County children are prepared for school and life ahead.
- Donor Intent: WCSS will honor donor intent to the fullest extent possible, provided it aligns with the organization's mission and legal requirements.
- Transparency: WCSS will be transparent with donors about how their gifts are used and the organization's financial practices.
- Ethical Conduct: All gift solicitations and acceptances will adhere to the highest ethical standards, avoiding any appearance of impropriety or conflict of interest.
- Legal Compliance: All gifts will be accepted in strict compliance with applicable federal and North Carolina State laws and regulations, including those pertaining to charitable contributions, tax deductibility, and financial reporting.
- Stewardship: WCSS is committed to the responsible and effective management and use of all gifts received.
- Cost-Benefit Analysis: The cost of accepting, holding, and administering a gift should not outweigh its ultimate benefit to WCSS.

3. Legal Compliance

This Policy is developed with due consideration for:

- Federal Laws: Including, but not limited to, the Internal Revenue Code (IRC) sections related to charitable contributions (e.g., IRC Section 170 for income tax deductions, IRC Section 501(c)(3) for tax-exempt status), and regulations concerning charitable solicitations and reporting.
- North Carolina State Laws: Including, but not limited to, the North Carolina Solicitation of Contributions Act (NC General Statutes Chapter 131F) and other relevant statutes governing non-profit organizations, trusts, and property.

  WCSS will consult with legal counsel as necessary to ensure compliance with all relevant laws and regulations, especially for complex gifts.

4. Types of Gifts Accepted

WCSS encourages and accepts a variety of gifts that support its mission. The following types of gifts are generally accepted, subject to the review and approval procedures outlined in Section 6:

4.1. Cash and Cash Equivalents

- Cash: Currency and checks.
- Credit Card Donations: Processed through secure, approved channels.

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- Wire Transfers/Electronic Funds Transfers (EFTs): Direct deposits into WCSS's bank accounts.

4.2. **Publicly Traded Securities**

- Stocks, Bonds, Mutual Funds: Valued at the average of the high and low selling prices on the date of transfer to WCSS's brokerage account. Donors should transfer securities directly to WCSS's brokerage account; selling appreciated securities personally and donating the proceeds may result in different tax implications for the donor.

4.3. **Real Estate**

- Residential, Commercial, Undeveloped Land: Acceptance of real estate gifts is subject to thorough due diligence, including environmental assessments, property appraisals (qualified appraisal required for gifts over $5,000), title searches, and review of any encumbrances. WCSS will only accept marketable real estate that does not pose undue financial or legal risk.

4.4. **Tangible Personal Property**

- Art, Collectibles, Equipment, Vehicles: Acceptance is subject to the gift's relevance to WCSS's mission, marketability, and the costs associated with its acceptance, storage, maintenance, and disposition. Gifts of tangible personal property must have a clear use or be readily convertible to cash. A qualified appraisal is required for items valued over $5,000 if the donor intends to claim a deduction.

4.5. **Bequests and Planned Gifts**

- Bequests: Gifts made through a will or living trust.
- Charitable Remainder Trusts (CRTs): Trusts that provide income to the donor or other beneficiaries for a period, with the remainder going to WCSS.
- Charitable Lead Trusts (CLTs): Trusts that provide income to WCSS for a period, with the remainder going to the donor or other beneficiaries.
- Life Insurance: WCSS can be named as a beneficiary or owner of a life insurance policy.
- Retirement Plan Assets: WCSS can be named as a beneficiary of an IRA, 401(k), or other retirement plan.

All planned gifts require careful review by WCSS staff, legal counsel, and financial advisors to ensure they align with WCSS's long-term economic health and legal compliance.

4.6. **Gifts In-Kind**

Definition: An in-kind gift is a non-monetary contribution of goods or services. These gifts are accepted only when they align with the programmatic and administrative needs of Wake County Smart Start and its funded partners.

Acceptance Guidelines:

- **Relevance:** In-kind gifts must be relevant to WCSS's mission, which includes supporting early childhood education, health, and family support programs. Items such as books, classroom materials, and baby supplies are examples of needed items.
- **Condition:** WCSS reserves the right to refuse in-kind gifts that are not in good condition or require significant storage, maintenance, or disposal resources.
- **Service Gifts:** Donating services, such as professional consulting or event planning, must be approved by the Director of Advancement or Director of Finance to ensure they are needed and can be utilized effectively.
- **Documentation:** All in-kind gifts will be documented by WCSS, and the donor will be provided with a donation form and an acknowledgment of the contribution.

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Valuation and Acknowledgment:

- Wake County Smart Start will not provide a valuation for in-kind gifts. For tax purposes, the donor is responsible for determining the fair market value of the donated items.
- For tax purposes, the donor must complete IRS Form 8283 for noncash donations.
- All in-kind donors will receive a thank-you letter and an official gift acknowledgment.

5. **Gifts Not Accepted**

WCSS reserves the right to decline any gift that does not align with its mission, poses an undue financial or administrative burden, carries unacceptable liabilities, or is inconsistent with its ethical principles. Gifts generally not accepted include, but are not limited to:

- Gifts that would compromise WCSS's tax-exempt status.
- Gifts that are highly restricted or require WCSS to incur significant ongoing expenses for maintenance, insurance, or administration that outweigh the gift's benefit.
- Gifts with unreasonable conditions or restrictions that are difficult to fulfill or monitor.
- Gifts of real estate or tangible personal property with significant environmental liabilities, liens, or encumbrances.
- Gifts that would generate unrelated business taxable income (UBTI) for WCSS to an extent that is not financially advantageous.
- Gifts that are illegal, unethical, or derived from illicit activities.
- Gifts that would require WCSS to endorse a commercial product, service, or political candidate.
- Gifts of intellectual property (e.g., patents, copyrights) that WCSS is not equipped to manage or monetize.

6. **Gift Acceptance Procedures**

The acceptance of gifts will follow a structured approval process based on the gift type and value.

6.1. **General Gifts (Cash, Publicly Traded Securities)**

- Up to $100,000: Accepted by the Director of Advancement.
- Over $100,000: Accepted by the Director of Advancement in consultation with the Director of Finance and Executive Director.

6.2. **Complex Gifts (Real Estate, Tangible Personal Property, Planned Gifts)**

All complex gifts, regardless of value, require review and approval by:

1. **Director of Advancement:** Initial review and due diligence.
2. **Executive Director:** Assessment of alignment with mission and strategic goals.
3. **Finance Committee of the Board of Directors:** Review of financial implications, legal risks, and administrative burdens.
4. **Full Board of Directors:** For gifts of significant value (e.g., over $1,000,000 or as determined by the Finance Committee) or those with unusual complexities or restrictions.

WCSS will engage independent legal counsel, financial advisors, and appraisers as needed for the evaluation of complex gifts, with the costs typically borne by the donor or from the gift proceeds, if permissible.

6.3. **Due Diligence for Complex Gifts**

For gifts of real estate and tangible personal property, WCSS will conduct thorough due diligence, which may include:

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- Appraisals: Obtaining a qualified appraisal for gifts over $5,000.
- Environmental Assessments: For real estate.
- Title Searches: To ensure a clear title for real estate.
- Inspection of Property: To assess condition and potential liabilities.
- Review of Gift Agreements: Ensuring clarity of donor intent and WCSS obligations.

7. **Valuation of Gifts**

For tax purposes, WCSS will adhere to IRS regulations regarding gift valuation.

- Cash and Cash Equivalents: Valued at face value.
- Publicly Traded Securities: Valued at the average of the high and low selling prices on the date of transfer to WCSS's account.
- Real Estate and Tangible Personal Property: Valued based on a qualified appraisal obtained by the donor, as required by IRS regulations. WCSS will not provide appraisals.

8. **Acknowledgement and Receipting**

WCSS will provide timely and accurate acknowledgements and tax receipts for all gifts in compliance with IRS regulations.

- For cash gifts of $250 or more, a written acknowledgement stating the amount of the cash contribution and that no goods or services were provided in return (or a description and good faith estimate of the value of any goods or services provided) will be issued.
- For non-cash gifts, the acknowledgement will describe the donated property but not state a value, as the donor is responsible for valuing it.
- WCSS will inform donors that they must consult with their own tax and legal advisors regarding the deductibility of their contributions. WCSS staff are prohibited from providing tax or legal advice to donors.

9. **Confidentiality**

Donor information will be treated with the utmost confidentiality in accordance with WCSS's privacy policy and AFP's Donor Bill of Rights. Donor names and gift details will only be disclosed with donor permission or as required by law.

10. **Conflicts of Interest**

All individuals involved in the gift acceptance process, including staff and Board members, must avoid actual or perceived conflicts of interest. Any potential conflict must be disclosed immediately, and the individual must recuse themselves from the decision-making process related to that gift.

11. **Review and Amendments**

This Policy will be reviewed as needed by the WCSS Board of Directors or the Advancement Committee to ensure its continued relevance, effectiveness, and compliance with changing laws and best practices. The WCSS Board must approve amendments to the Gift Acceptance Policy.

Calling for a vote and with no objections, the motion passed. (12-3-13)

Finance Committee

Finance Committee Chair Matt Glova shared that the majority of WCSS funds are currently held in various money market accounts. The rates will be adjusted down when the Federal Reserve lowers interest rates. Therefore, the Finance Committee recommends the creation of a CD ladder of three years with maturities every three months to maintain liquidity. The CDs proposed by Truist Bank currently have the best rate and are FDIC insured, so they will spread out the allocation of proposed $1,250,000 investment into a CD ladder.

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Mr. Glova noted that the CD ladder investment will consist of unrestricted funds, and the interest earned will be unrestricted. Ms. Coates asked questions about Truist's philanthropic investment in WCSS. Matt Glova committed to working with Ms. Headen and Mr. Linens in conversations with Truist and Kelsey Camarena offered to make an introduction to her Truist connections. After discussion, Ms. Coates called for a second to the Finance Committee's recommendation. Susan Evans seconded the Finance Committee's recommendation for the Creation of a CD ladder investment account with Truist Bank with a 3-year term and CDs maturing at a 3-month interval. Funded with funds already with Truist Bank and First Citizens Bank. The current account with First Citizens Bank will be closed after funds are transferred to the CD ladder. The recommendation passed unanimously. (12-3-14)

Chair's Report

Ms. Coates shared that during new Board Member orientation, two themes emerged: ways to create opportunities for more informal connection and collaboration amongst the Board Members and a desire to build rapport within the Board to foster collaboration. Ms. Coates shared dates and locations for a Board coffee series in months when the Board does not have another in-person event, such as the Block Party in May. This is an informal, drop-in format with no minimum attendance required, and the chosen coffee shops can comfortably fit two to six-plus comfortably. Board Members will receive individual invitations so they can RSVP.

Ms. Coates reminded Board Members of the February 25th in-person Board retreat and asked everyone to confirm that they have a hold on their calendars. The meeting will be held at the NC State University Club, and Ms. Coates thanked Mr. White for sponsoring the Board again this year.

Executive Director's Report

Executive Director Gayle E. Headen reported on the progress of the new Strategic Framework. The team has distributed a Community Needs Assessment and survey with the goal of receiving input from a range of people inclusive of parents, teachers, providers, and community partners. The team set target levels for feedback and have reached their target levels for some of the subgroups. Data collection will conclude this month, and analysis will begin in January, with the goal of presenting the new Strategic Framework at the February 25th Board Retreat. The primary topic for the Retreat will be the Strategic Framework.

Ms. Headen shared with the Board trends in childcare accessibility in Wake County and North Carolina. Across the state, licensed providers are closing at a higher rate than new providers are coming on board, an increasing problem where accessibility and affordability are already difficult. She was on a Smart Start Network call where the Director of DCDEE, Candace Witherspoon, was featured. One of the concerns is that parents who work must put their children somewhere, so the shortage is creating an environment where children are being placed in care that is not the safest or best for them. Ms. Headen learned from Lynn Policastro, WCSS Manager, Early Childhood Initiatives, that Wake County has lost almost 10% of licensed childcare providers in the last month and shared that the issue is largely due to lack of teachers.

Next week Ms. Headen will participate on a panel at a Raleigh Chamber of Commerce event called Classroom to Career. The event focuses on the intersection of education and economic development in our region. She is working with the communications team in preparation and gave her thanks to Ms. Creech for a conversation they had as well. Ms. Headen will underscore that economic prosperity begins by investing in young children as 90% of the brain is formed by the age of five. It affects the workforce of today and tomorrow.

With no further business to discuss, Ms. Coates asked for a motion to adjourn the meeting. Kerry McCarthy Adams moved to adjourn the meeting. Ariel Ford seconded the motion. Calling for a vote and hearing no objections, the meeting was adjourned by Ms. Coates at 9:50 AM. (12-3-15)

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Signed by:
Matt Ellinwood
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