

SAMPLE GIFT ACCEPTANCE POLICY

The purpose of this Gifts Acceptance Policy is to give _____ guidelines approved by the _____ on the acceptance of gifts:

- 1) to fund the annual budget of the organization or other projects for the ultimate benefit of _____;
- 2) to fund endowments where income will be primarily directed in perpetuity to the purpose of said fund or, in some cases, where income and principal is available for distribution.

Such a policy will facilitate giving by allowing the organization to respond quickly in the affirmative, where appropriate, and to seek broader approval before acceptance, where necessary. It will also guide and encourage staff to decline gifts which are not appropriate to the organization's mission.

A major goal will be to ensure all donors will be given the same consideration. Exceptions to ratified policy will be made only by action of the _____.

GUIDELINES

Representatives of the organization will exercise due diligence in establishing relationships with potential donors to determine and evaluate the donor's motives for making a gift. In that regard, officials of the organization will carefully review all gifts before receipt and presentation to the _____ for acceptance.

Staff shall not benefit personally from fees related to gifts received, and the organization shall not pay finder's fees to any other person. Staff shall not participate in any activity that could be deemed a conflict of interest.

The organization will not provide legal or tax services to donors. If necessary, staff or members will assist donors to secure appropriate counsel. Staff/members may also meet with donor's counsel and provide whatever assistance counsel might request. Organization representatives will communicate with donors and their counsel in writing about issues affecting specific situations.

TYPES OF GIFTS

In all cases, the Foundation reserves the right to decline any gift based on the property or the proposed use.

Gifts of Cash and Publicly Traded Securities

Gift such as cash and publicly traded securities are encouraged because of their ease of transfer. Outright gifts of publicly traded securities will be sold as soon as is reasonably practicable so as to preclude the organization leaders being put in a position of timing various sales. The gift value of

securities is determined by the mean of the high and the low selling price of the securities on the date the stock is received in the organization offices or the date the securities are "booked" to the account in its broker's office. (See attached "Suggested Steps for Transferring Publicly Traded Stock . . . ")

Gifts of Life Insurance

The organization will accept gifts of life insurance as outright gifts, or differed gifts. Gifts can be made by giving existing policies, by change of beneficiary, or by purchasing new insurance. The organization never recommends agents or agencies and never endorses insurance programs. Those considering gifts of new insurance are urged to survey the market by reviewing the products of several companies.

Gifts of Real Property

There are tremendous benefits to using real property as an expression of stewardship. Possibilities for significantly reductions in capital gains, income and estate taxes are positive aspects. However, real property is also the most difficult to liquidate and certain steps and precautions are necessary to make such a gift transaction complete. The following steps are intended to make such a transaction as beneficial to all parties as possible.

All gifts of real property will require a title policy, a survey, and evidence that the property is free from environmental hazards which would subject an owner to liability under the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendments and Reauthorization Act of 1986, and any other local, state or federal environmental law or regulation.

The donor is responsible for establishing the value of property donated to charity. The organization staff or officers will notify the donor and his/her counsel in writing about the requirements of the Internal Revenue Code for a qualified appraisal. The organization will provide Form 8283 to the donor and will file Form 8282 with the IRS in the event the property is sold within two years of the gift date.

Gifts of real property will be sold as soon as practical, unless the property is determined to have significant potential increase in value and is producing income sufficient to pay taxes, insurance, and any other costs related to the property.

1. Gifts of real property must have a clear title policy, including current leaseholds, and evidence of marketability or adequate income to meet any expenses involved with receipt and/or disposition of same.
2. According to IRS guidelines, for the purpose of valuing the gift, an appraisal by a certified appraiser must be obtained no earlier than 60 days prior to the date of the gift, and no later than the due date of the return on which the contribution is first claimed as a deduction. Form 8283 will be provided to the donor upon request. Form 8282 will be filed with the IRS on a timely basis if the property is sold within two years.

3. An Environmental (EPA) Level 1 Inspection is required at the time of receipt of property and an Environmental Waiver at the time of both receipt and sale of the property.
4. Donor must guarantee taxes, insurance, legal and other expenses until liquidation unless the property has adequate income to support these expenses.
5. Donor will be informed that the value of the gift will likely be reduced by sales commissions, taxes, and legal expenses at the time of sale of the property.
6. Receipt of property must be approved by _____.

Gifts of Residence or Farm, with Life Estate Reserved

The _____ encourages gifts of a residence or farm, with a life estate reserved. The organization, through staff or leadership, will notify the donor and his or her counsel in writing that property taxes, maintenance, and insurance continue to be the responsibility of the donor as long as he or she lives, unless otherwise negotiated. Gifts will be subject to the same guidelines for gifts of real property above.

Gifts of Tangible Personal Property

Gifts of tangible personal property will be considered and received by _____ on an individual basis. The donor is responsible for establishing the value of tangible personal property donated to charity.

Life Income Gifts

Life income gifts such as Charitable Gift Annuities and Charitable Remainder Trusts will be administered by a reputable foundation.

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It is anticipated that these policies will become the basis for a growing and maturing document that will reflect the changing nature of the organization's mission and the laws that affect its work. These policies will be subject to review and change from time to time and may be amended by

_____.