



**COMMUNITY
FOUNDATION**
OF HARFORD COUNTY

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POLICY: GIFT ACCEPTANCE POLICY

Approved: January 8, 2008

Reviewed and Approved:

Reviewed and Revised:

INDEX TO POLICIES

I.	Purpose of Policies and Guidelines.....	3
II.	Use of Legal Counsel.....	3
III.	Confidentiality Policy	3
IV.	Conflict of Interest	3
V.	Restrictions on Gifts.....	4
	A. General Policy	4
	B. Component Funds.....	4
	1. Unrestricted Funds.....	4
	2. Field of Interest Funds	5
	3. Designated Funds.....	5
	4. Organization Funds	5
	5. Scholarship Funds	5
	6. Donor Advised Funds	5
	7. Operational (Administrative) Funds	6
	8. Special Projects	6
	C. Non-Component Funds.....	6
	1. Supporting Organizations (Foundations).....	6
	2. Charitable Remainder Trusts	6
	3. Charitable Lead Trusts	6
VI.	Gift Approval Process.....	6
VII.	Types of Gifts.....	7
	A. List of Gift Types.....	7
	B. Criteria Governing Form.....	8
	1. Cash and Cash Equivalents.....	8
	2. Tangible Personal Property.....	8
	3. Securities	8
	4. Real Estate.....	10
	5. Remainder Interests in Property	10
	6. Oil, Gas and Mineral Interests	11
	7. Bargain Sales	11
	8. Life Insurance	12
	9. Royalties, Distribution Rights.....	12
	10. Charitable Gift Annuities.....	12

	11. Charitable Remainder Trusts	13
	12. Charitable Lead Trusts.....	13
	13. Bequests.....	13
	14. Life Insurance Beneficiary Designations	13
VIII.	Miscellaneous Provisions.....	14
	A. Securing Appraisals.....	14
	B. Responsibility for IRS Filings	14
	C. Valuation of Gifts of Development Purposes.....	14
	D. Acknowledgement of Gifts.....	14
IX.	Changes to Policies.....	14
X.	Appendices.....	14

The Community Foundation of Harford County (hereinafter referred to as The Community Foundation), a not for profit organization organized under the laws of the State of Maryland, is dedicated to connecting people who care with the causes that matter to them into order to meet community needs, today and tomorrow. The following policies and guidelines govern acceptance of gifts made to The Community Foundation and its component funds.

I. Purpose of Policies and Guidelines

The Board of Directors of The Community Foundation encourage and solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of The Community Foundation. It is the purpose of these policies and guidelines to govern the acceptance of gifts by The Community Foundation and to provide guidance to prospective donors and their advisors when making gifts to The Community Foundation. The Board of Directors maintains an Ad Hoc Gift Approval Committee for purposes of evaluating and monitoring gifts to The Community Foundation. The provisions of these policies shall apply to all gifts received by The Community Foundation.

II. Use of Legal Counsel

The Community Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. Review by counsel is recommended for:

- A. Review of closely held stock transfers that are subject to restrictions or buy-sell agreements.
- B. Review of documents naming The Community Foundation as Trustee.
- C. Review of all gifts involving contracts, such as bargain sales or other documents requiring The Community Foundation to assume an obligation.
- D. Review of all transactions with potential conflict of interest that may invoke IRS sanctions (including any transaction to which a board member is a party).
- E. Such other instances in which use of counsel is deemed appropriate by the Ad Hoc Gift Approval Committee.

III. Confidentiality Policy

The Community Foundation shall hold all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or a prospective donor will be honored or allowed only if permission is obtained from the donor prior to the release of such information.

IV. Conflict of Interest

All prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Community Foundation will comply with the Model Standards of Practice for the Charitable Gift Planner promulgated by the National Committee on Planned Giving, shown as Appendix A to this document.

V. Restrictions on Gifts

A. General Policy

All prospective donors will be informed that in making a gift to The Community Foundation, they give up all right, title, and interest to the assets contributed; that The Community Foundation Board has variance power; and that the fund created by the gift may contain no material restriction that would prevent the fund created by the gift from being considered as a component fund of The Community Foundation under the Internal Revenue Code and regulations thereto.

The Community Foundation will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of its corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of The Community Foundation.

Further, The Community Foundation will not accept gifts that are directly or indirectly restricted by a donor through a material restriction or condition that prevents The Community Foundation from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its exempt purposes.

Finally, The Community Foundation will not accept gifts that jeopardize its tax-exempt status and reserves the right to decline any gift that it believes is not in the best interest of The Community Foundation. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made according to the Gift Approval Process of The Community Foundation outlined in Section VI of this document.

B. Component Funds

The Community Foundation is comprised of a variety of grantmaking funds described in more detail in paragraphs (1) – (6) below. More specific descriptions may be found in The Community Foundation’s Fund and Administrative Fee Policy. Gifts to The Community Foundation must fit one or more of these component fund forms.

Donors may add to existing funds in any amount. Gifts that create new named funds must be established and maintained at the minimum level as determined by The Community Foundation unless otherwise noted, such as accumulator funds (temporary, “starter” fund gifted with less than the \$10,000 minimum and started with the intent of creating a permanent, named fund within 36 months).

1. Unrestricted Funds:

Unrestricted funds are those contributed to The Community Foundation to meet the greatest community needs, new programs, respond to emergencies, or support innovative programs of the community. These funds are available to The Community Foundation for any of the charitable purposes outlined in its organizing documents. The Board of Directors of The Community Foundation makes decisions on the grantmaking from these funds.

2. Field of Interest Funds:

Field of interest funds are restricted in use to a charitable cause or purpose or geographic area of importance to the donor (without designation of recipient organizations or programs through which such charitable purposes may be served). The Board of Directors of The Community Foundation determines which organizations and programs receive grants from field of interest funds and the amount and timing of such grants. Examples of field of interest funds include, but are not limited to, areas of interest or subsets thereof listed below:

- Human services
- Education
- Health and safety
- Community development
- Environment
- Arts, culture, and humanities

3. Designated Funds:

Designated funds are earmarked by the donor(s) for one or more charitable organizations or programs; all grants made from such funds must be made to or for the use of the designated recipient organization. If the recipient organization ceases to exist or changes its status or mission as a charitable organization, The Community Foundation's Board of Directors may exercise its variance power, selecting an alternate use for the fund compatible with its original charitable purpose.

4. Organization Funds:

Organization Funds are established by agencies and their donors to serve as an endowment fund supporting the agency's work. A portion of the interest earned is returned to the organization for its use. The Community Foundation provides investment services and provides financial expertise needed by many organizations. Donors may add to these funds at any time and in any amount.

5. Scholarship Funds:

Donors may create scholarship funds to support students who attend qualified educational institutions. Within IRS regulations, donors may decide the type and nature of the scholarship. All scholarship funds should be developed and operated according to The Community Foundation's Scholarship Policies.

6. Donor Advised Funds:

Donor advised funds are contributed to The Community Foundation, with the donor's reservation (on behalf of himself, or others) to be allowed to recommend to The Community Foundation grants to be made from the funds. Endowed donor-advised funds may be multi-generational (donor and up to two succeeding generations) unless otherwise agreed to by the original donor and CFHC. At the termination of established advisors, or in the event the fund's

advisors do not participate in distribution of funds for an extended period, endowed donor-advised funds will be transferred as follows: 75% to the community foundation's unrestricted fund and 25% to the community foundation's administrative fund unless otherwise negotiated with the original donor (such as conversion to another fund, e.g., Field of Interest).

7. Operational (Administrative) Fund:

Gifts contributed to the Operational Fund are used by The Community Foundation to pay for operational expenses.

8. Special Projects:

Though not a traditional component fund, The Community Foundation does accept temporary, non-endowed funds established by multiple donors for a particular, time-limited, common purpose. The entire principal is distributed to recipients for the established, common purpose.

C. Non-Component Funds

The Community Foundation will accept, upon Board approval, non-component funds. The following types of funds are not owned by The Community Foundation:

1. Supporting Organizations (Foundations)

A supporting organization (foundation) is established as an independently incorporated tax-exempt nonprofit organization with separate governance. It is a public charity rather than a private foundation because it "supports" a public charity such as a community foundation. It operates in conjunction with the Community Foundation.

2. Charitable Remainder Trusts

This section left intentionally blank.

3. Charitable Lead Trusts

The Community Foundation will accept appointment as income beneficiary of a charitable lead trust. The Community Foundation will not accept appointment as a Trustee of a charitable lead trust. Donors establishing charitable lead trusts shall be encouraged to use professional fiduciaries in that role.

I. The Gift Approval Process

The gift approval process shall consist of approval by CFHC legal counsel and any two (2) of the following CFHC representatives as set out below and as appointed by the President of The Community Foundation:

- The President or Vice-President of the Community Foundation
- One (1) member of the Board of Directors
- One (1) member of the Finance and Investment Committee of the Community Foundation
- Executive Director (ex-officio)

The Ad Hoc Gift Approval Committee is charged, in part, with the responsibility of reviewing gifts made to The Community Foundation, properly screening and accepting those gifts, and making recommendations to the Board on gift acceptance issues where appropriate. It is expected that the members of the Ad Hoc Gift Approval Committee will abide by The Community Foundation's Conflict of Interest Policy and will recuse themselves from reviewing a gift should they be unable to make an objective decision due to an interest in or relationship with any of the parties involved in the gift.

It is anticipated that these policies govern all gifts, and that marketable gifts (cash, cash equivalents, and publicly traded securities) require no review by the committee on acceptance, so long as the purpose and form of those gifts is in keeping with the standards set out herein. Every gift of a non-marketable asset (tangible personal property, real estate, life insurance, non-publicly traded securities, oil and gas, and all other gifts) or gifts not in compliance with these policies shall be reviewed and approved by the committee prior to acceptance.

In case of illiquid assets, The Community Foundation will not release any monies from a fund prior to the liquidation of the assets. Fees for illiquid assets may be assessed in arrears upon liquidation of the asset.

Recommendations to the committee shall be made by the Executive Director through written memorandum. The committee may meet in person or by telephone to consider recommendations and approve or disapprove the gift.

II. Types of Gifts

A. The following gifts may be deemed to be acceptable:

1. Cash and Cash Equivalents
2. Tangible Personal Property
3. Securities (marketable or non-marketable)
4. Real Estate
5. Remainder Interests in Property
6. Oil, Gas, and Mineral Interests
7. Bargain Sales
8. Life Insurance
9. Royalties, Distribution Rights
10. Charitable Gift Annuities
11. Charitable Remainder Trusts
12. Charitable Lead Trusts
13. Retirement Plan Beneficiary Designations
14. Bequests
15. Life Insurance Beneficiary Designations

B. The following criteria govern the acceptance of each gift form:

1. **Cash and Cash Equivalents:** Cash is acceptable in any form. Checks shall be made payable to the Community Foundation of Harford County and shall be delivered to the The Community Foundation's administrative offices. Cash equivalents include certificates of deposit or other assets readily converted to a stable, determinable cash value.
2. **Tangible Personal Property:** All other gifts of tangible personal property shall be examined in light of the following criteria and the criteria identified on the Gift Acceptance Checklist, Appendix B:
 - Does the property fulfill the mission of The Community Foundation?
 - Is the property marketable?
 - Has the donor obtained a qualified appraisal for the property in compliance with IRS requirements and supplied The Community Foundation with a copy of the appraisal if necessary?
 - Are there any undue restrictions on the use, display, or sale of the property?
 - Are there any carrying costs or liability for the property?

The final determination on the acceptance of other tangible property gifts shall be made by the Ad Hoc Gift Approval Committee of The Community Foundation.

3. **Securities:** The Community Foundation can accept both publicly traded securities and closely held securities.
 - a. **Publicly Traded Securities:** Marketable securities may be transferred to an account maintained at one or more financial institutions or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt. In some cases marketable securities may be restricted by applicable securities laws (i.e. § 144 stock); in such instance the final determination on the acceptance of the restricted securities shall be made according to the Gift Approval Process outlined in Section VI of this document.

Options and Other Rights in Securities: The Community Foundation may receive warrants, stock options, and stock appreciation rights only upon review and acceptance of the Ad Hoc Gift Approval Committee. In considering acceptance, the committee must consider the following issues:

- Is The Community Foundation required to advance funds upon exercise of the gift? If so, does The Community Foundation have the required funds?
- Is The Community Foundation at risk of loss of funds in accepting the gift?

- Are the rights restricted? And if so, does the restriction affect the ability of The Community Foundation to dispose of the asset? Does the restriction materially impact the value of the gift to The Community Foundation?
 - Will acceptance of the gift and/or exercise of the option trigger any tax consequences to the donor?
- b. Closely Held Securities: Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in LLPs and LLCs or other ownership forms, can be accepted subject to the approval of the Ad Hoc Gift Approval Committee of The Community Foundation. Interest in any closely held entity requires legal documentation (such as Partnership and Operating Agreements) setting forth the rights and legal obligations of the owner. The Community Foundation will not accept general partnership interests because of potential liability. However, gifts will be reviewed prior to acceptance using the following checklist and the criteria identified on the Gift Acceptance Checklist, Appendix B:
- What type of entity is represented by the gift? (For example, C Corporation, S Corporation, LLC, LLP.)
 - Will the security generate unrelated business taxable income to The Community Foundation? If so, does The Community Foundation have the funds to pay this tax?
 - Will the gift trigger any negative tax consequences to the donor? (If the donor is unsure, he should be advised to talk with his accountant.)
 - Are there restrictions on the security that would prevent The Community Foundation from ultimately converting those assets to cash? Does the restriction materially impact the value of the gift to The Community Foundation?
 - Describe the operation of the company. Does it create a legal or public relations liability for The Community Foundation?
 - Is the security marketable? If so, describe the market for sale, and estimated time required for sale.

Closely held C Corporation stock is generally acceptable on condition that The Community Foundation assumes no liability by accepting it, the corporation's buy-back policies are acceptable, there is an expectation to liquidate the stock in a reasonable timeframe, and that no monies will be dispersed from a fund until such time as the stock is liquidated.

The initial acceptance of a closely held stock requires Ad Hoc Gift Approval Committee approval. After a closely held stock has been "approved" for acceptance by the Gift Acceptance Committee, future

gifts of that same closely held stock are deemed to be acceptable so long as the conditions under which future gifts are made do not vary in substance.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. It is generally the goal of The Community Foundation to sell non-marketable securities within a reasonable timeframe unless the income that is generated is sufficient to justify holding them. (See Appendix B, Gift Acceptance Checklist).

4. **Real Estate:** The Community Foundation will accept gifts of real estate that include developed property, undeveloped property, or gifts subject to a prior life interest, from time to time as appropriate. Prior to the acceptance of real estate, The Community Foundation shall require an initial environmental review of the property to ensure that the property is not contaminated with environmental damage. Environmental inspection forms are attached as an appendix to this document. In the event that the initial inspection reveals a potential problem, The Community Foundation shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audits shall generally be an expense of the donor (see Appendix C, Environmental Review Forms).

Where appropriate, a title binder shall be obtained by The Community Foundation prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

Prior to acceptance of the real property, the gift shall be approved by the Ad Hoc Gift Approval Committee of The Community Foundation and by The Community Foundation's legal counsel. Queries for acceptance of the property shall include:

- Does the environmental audit reflect the property is undamaged?
 - Is the property useful for the purposes of The Community Foundation?
 - Is the use or image of the property consistent with The Community Foundation's purposes?
 - Is the property marketable? If so, describe the market and estimated time of sale.
 - 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? Provide an estimated budget for the period expected until sale.
5. **Remainder Interests In Property:** The Community Foundation will accept a remainder interest in a personal residence, farm, or vacation home subject to

the provisions of Section 4 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the donor, The Community Foundation may use the property or reduce it to cash. Where The Community Foundation receives a gift of a remainder interest, the following expenses are generally to be paid by the donor or primary beneficiary:

- Payment of utilities
- Pest control
- Lawn/landscaping maintenance
- Homeowners insurance (including liability)
- Cosmetic changes such as redecorating, painting, wallpapering, etc.
- Maintenance, repair and replacement of personal property
- General maintenance, repair and upkeep of property
- Property taxes
- Amortization of debt on property

6. **Oil, Gas, and Mineral Interests:** The Community Foundation may accept oil, gas, or mineral property interests, where appropriate. Prior to acceptance of an oil, gas, or mineral interest the gift shall be approved by the Ad Hoc Gift Approval Committee, and by The Community Foundation's legal counsel. Criteria for acceptance of the property shall include:

- Do the surface rights have a value of \$20,000 or greater? (Provide a copy of the qualified appraisal.)
- Does the gift of oil, gas or mineral interest generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift)? (Provide income from last three years.)
- What is the form of the interest? The Community Foundation will not accept general partnership interests. If the interest is a Sub-S corporation, or working interest generating unrelated business taxable income, project the tax cost upon sale of the asset.
- Is there environmental liability associated with receipt of the asset?
- Is the asset readily marketable? If so, describe the market and estimated timetable for sale.

Oil, gas, and mineral interests shall be sold as soon as practical upon receipt unless the income generated from holding the interests is deemed sufficient to justify holding them. No monies will be distributed from a fund until the oil, gas, or mineral interest is liquidated and fees have been assessed in arrears.

7. **Bargain Sales:** A bargain sale is a hybrid of a gift and a sale. In essence, the donor who sells an asset to a charity at a price that is less than the property's fair market value intends to make a gift of the discounted portion of the selling price. The Community Foundation will enter into a bargain sale arrangement in instances in which the bargain sale furthers the mission and purposes of The Community Foundation. All bargain sales must be reviewed and recommended

by the Ad Hoc Gift Approval Committee and approved by the Board of Directors. Factors used in determining the appropriateness of the transaction include:

- The Community Foundation must receive an independent appraisal substantiating the value of the property, validity of the title, and any possible environmental liability.
- If The Community Foundation assumes debt with the property, the debt ratio must be less than 50% of the appraised market value.
- The Community Foundation must determine that it will use the property, or that there is a market for sale of the property allowing sale within 12 months of receipt.
- The Community Foundation must calculate the costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period and adjust the estimated value by such amount.

8. **Life Insurance:** The Community Foundation must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a completed gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, The Community Foundation will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, The Community Foundation may:

- Continue to pay the premiums.
- Convert the policy to paid up insurance.
- Surrender the policy for its current cash value.

9. **Royalties, Distribution Rights:** The Community Foundation accepts gifts of royalties or distribution rights on published works (such as books or films) where there is clear evidence of marketability or assurance of an income stream.

10. **Charitable Gift Annuities:** The Community Foundation may offer charitable gift annuities. The minimum gift for funding is \$10,000. The minimum age for life income beneficiaries of a gift annuity shall be 65, with a suggested threshold of 70. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries shall be 60, with a suggested threshold of 65. No more than two life income beneficiaries will be permitted for any gift annuity.

The annuity stream shall be based on the rates published by the American Council on Gift Annuities in effect at the date of execution of the contract. The Community Foundation may execute a contract at a rate that is less than the published rates at the request of the donor, but may not execute a contract that is in higher than those rates. Annuity payments may be made on a quarterly, semi-annual, or annual schedule.

The Community Foundation may accept real estate, tangible personal property, or any other illiquid assets in exchange for current charitable gift annuities according to the Gift Approval Process and provided that the property has been sufficiently discounted to insure that the liquidation value exceeds the Charitable Gift Annuity commitment including all holding and carrying costs associated with the liquidation of the asset.

Funds contributed in exchange for a gift annuity shall be set aside and invested during the term of the annuity payments. Once those payments have terminated, the funds representing the remaining principal contributed in exchange for the gift annuity shall be added to The Community Foundation's Unrestricted Funds, or to such specific fund as designated by the Donor.

11. **Charitable Remainder Trusts:** The Community Foundation accepts revocable or irrevocable beneficiary appointments under charitable remainder trusts. These appointments may be for The Community Foundation's Unrestricted Funds, for any of its component funds or for a non-component supporting organization (foundation).
12. **Charitable Lead Trusts:** The Community Foundation accepts income distributions from charitable lead trusts. These distributions may be assigned to The Community Foundation's Unrestricted Funds, for any of its component funds, or for a non-component supporting foundation.
13. **Bequests:** Donors and supporters of The Community Foundation shall be encouraged to make bequests to The Community Foundation under their wills and trusts. Such bequests shall not be recorded as gifts to The Community Foundation until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable, if The Community Foundation knows the amount of the bequest. These appointments may be for The Community Foundation's Unrestricted Funds, for any of its component funds or for a non-component supporting foundation.
14. **Life Insurance Beneficiary Designations:** Donors and supporters of The Community Foundation shall be encouraged to name The Community Foundation as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to The Community Foundation until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift will be recorded at the time the gift becomes irrevocable. These appointments may be for The Community Foundation's Unrestricted Funds, for any of its component funds or for a non-component supporting foundation.

VIII. Miscellaneous Provisions

- A. Securing appraisals and legal fees for gifts to The Community Foundation: It shall be the responsibility of the donor to secure a qualified independent appraisal (where required) and independent legal, tax, and/or financial counsel for all gifts made to The Community Foundation.
- B. Responsibility for IRS Filings upon sale of gift items: The Financial Officer of The Community Foundation is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within three years of receipt by The Community Foundation where the charitable deduction value of the item was \$5,000 or greater. The Community Foundation must file this form in compliance with IRS requirements.
- C. Valuation of gifts: The Community Foundation shall record a gift received by The Community Foundation at its value for gift purposes on the date of gift. The Community Foundation requires that donors making a gift requiring a Form 8283 supply a copy of the Form and appraisal used to support the gift value.
- D. Acknowledgement of gifts: Gifts made to The Community Foundation will be acknowledged in compliance with the current IRS requirements. Acknowledgement of such gifts shall be the responsibility of the staff of The Community Foundation. IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions* should be used to determine the value of charitable gifts.

IX. Changes to Policies

These policies and guidelines have been reviewed and accepted by the Board of Directors of The Community Foundation of Harford County.

Approved on the 8th day of January, 2008.

M. Scott Elliott, President, Community Foundation of Harford County

X. Appendices

- A. **Model Standards of Practice of the Charitable Gift Planner**
- B. **Gift Acceptance Checklist**
- C. **Environmental Review Forms**

APPENDIX A

Model Standards of Practice of the Charitable Gift Planner Preamble

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent.

This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. **Primacy of Philanthropic Motivation**

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. **Explanation of Tax Implications**

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

III. **Full Disclosure**

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

IV. **Compensation**

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finder's fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift is never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. **Competence and Professionalism**

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

VI. Consultation with Independent Advisers

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor's choice.

VII. Consultation with Charities

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planner, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planner shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

VIII. Description and Representation of Gift

The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

IX. Full Compliance

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. Public Trust

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.

APPENDIX B
GIFT ACCEPTANCE CHECKLIST

All Gifts

_____ Delivery of property.
_____ Fund agreement in file/clear instructions on additions.
_____ Prior approval when required by form of gift.

Donor's attorney: _____ Phone: _____ Email: _____
Donor's accountant: _____ Phone: _____ Email: _____
Appraiser: _____ Phone: _____ Email: _____
Other professional: _____ Phone: _____ Email: _____

Public Securities

Form of delivery: __ Electronic __ Physical
Estimated date of gift: _____
If electronic, firm and contact: _____
If physical, stock power? _____
Any restrictions on sale? If so, describe:

Value on date of gift: _____

Private Securities

Form of delivery: _____ Electronic _____ Physical
Form of holding: _____ C Corporation _____ S Corporation
_____ FLP _____ LLC _____ LLP _____ Partnership
Are there costs to the Foundation on acceptance or sale?

Donor's basis: _____
Are there consequences to the donor on disposition?

Is the asset subject to a buy-sell agreement?

Are there other restrictions on sale?

Real Estate

Form of gift: __ Outright __ Retained Life Interest
_____ Bargain Sale _____ Testamentary
Form of ownership: __ Sole __ Joint/Survivor
_____ Undivided/Ten. In Common
Location: _____
Legal description in file: _____
Date of delivery of deed: _____
Appraisal in file: _____
Separate appraisal required? _____
Environmental review in file? _____
Date of review: _____
What type of property? __ Residential __ Commercial
__ Undeveloped __ Farmland __ Oil/gas
__ Mineral Rights __ Air Rights __ Timber
Annual income from property? _____
If commercial, provide financials from last 3 years. If
leased, provide copy of lease agreement.
Annual costs of property: _____ Insurance
_____ Maintenance _____ Property taxes
Is there debt on the property? If yes, provide copy of
current statement. Describe: _____
Are there any easements, liens, lawsuits, regulatory
designation or other restrictions on the property? If so,
please describe: _____
Approval of gift acceptance committee: _____
Other comments: _____

Tangible Personal Property

Is the property related use or unrelated use? _____
If property is related use, are there any restrictions on use
of the item? _____
Will the property be sold on receipt? _____
If so, what is the likely market? _____
What are the costs of sale? _____
Description of object: _____
Location of object: _____
Value (appraisal in file, if available): _____
Cost of holding item (insurance, safeguarding, transport,
other) _____.

APPENDIX C

ENVIRONMENTAL REVIEW FORMS

This interview is designed for use with current and/or prior owners or managers of the property.

Date of Interview _____	Interviewer _____
Person Interviewed _____	Relation to Property _____
Property Description _____	
Age of Buildings _____	

Type of Property	Agricultural _____	Timber _____
	Commercial _____	Manufacturing _____
	Age of Buildings _____	Undeveloped Land _____
	Residential _____	Other _____

1. Indicate prior uses of property. _____
2. Are you aware of any environmentally sensitive situations on the property? (Gas stations, drycleaners, companies using solvents, garbage dumps, battery reclamation, etc. Describe: _____)
3. For uses identified in question 1, has an environmental license or permit ever been issued? ___ No ___ Yes
4. Are there, or have there ever been, any oil, fuel or chemical storage tanks on the property located above or below ground? ___ No ___ Yes
5. Has an environmental assessment been previously conducted? ___ No ___ Yes. **If yes,** provide a copy of the report.
6. If available, attach maps or surveys that describe the property to this questionnaire. ___ attached ___ none available
7. If you are unable to furnish the information requested above, please advise us if there is a reliable source that may be able to furnish this information.

PROPERTY INSPECTION CHECKLIST FOR CURRENT ENVIRONMENTAL CONDITIONS

Name of Inspector _____	Date of Inspection _____
Owner of Property _____	Estimated Size _____
Location of Property _____	Current Use _____
Number of years the current use has been in effect: _____	
Brief history of property use (list past use and former tenants, and source of information)	

ENVIRONMENTAL SITE INSPECTION CHECKLIST

Note: Comments on the condition of the adjoining property or hazards related to sites closely situated to the subject property should be noted.

- | | | |
|--|------------|-----------|
| I. An on-site inspection revealed the following: | Yes | No |
| A. Stressed or denuded vegetation or unusual barren areas | ___ | ___ |
| B. Discoloration, oil sheens or foul/unusual odors in water | ___ | ___ |
| C. Dump site | ___ | ___ |
| D. Tire/battery/chemical storage or disposal | ___ | ___ |
| E. Storage drums | ___ | ___ |
| F. Above or below ground storage tanks, vent or filler pipes | ___ | ___ |
| G. Evidence of petroleum or oil products | ___ | ___ |
| H. Evidence of PCBs (electrical transformers, capacitors)___ | ___ | ___ |
| I. Subject or adjoining property used for industrial purposes | ___ | ___ |
| J. Existing structures: If yes, indicate if there is: | Yes | No |
| 1. Evidence of chemical spills/leaks | ___ | ___ |
| 2. Evidence of asbestos | ___ | ___ |
| 3. Any source of air emission | ___ | ___ |
| K. Does property appear on National/State Hazardous Site list? | ___ | ___ |
| L. If "yes" to any of the above, describe: _____ | | |
| _____ | | |
| _____ | | |

- II. () Based on the evaluation of known, discovered or observed environmental factors, there is no evidence of environmental contamination on this or neighboring properties, and no further action is recommended.
- () Based on the evaluation of known, discovered or observed environmental factors, there is evidence of possible environmental contamination on this or neighboring properties and further investigation is recommended. **(Complete "Evaluation of Known Environmental Factors Form" if this block is checked.)**

_____	_____	_____
Person Completing Form	Title	Date
_____	_____	_____
Acceptance of Form Approved By	Title	Date