

Boys & Girls Clubs of the Greater Santiam

Gift Acceptance Policy

Purpose

The Gift Acceptance Policy provides guidelines to representatives of Boys & Girls Clubs of the Greater Santiam (BGC GS) who may be involved in the acceptance of gifts, to outside advisors who may assist in the gift planning process and to prospective donors who may wish to make gifts to the organization. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis. The gift review process outlined here, however, is intended to be followed closely.

Support for the BGC GS may be given in the following categories:

CURRENT GIFTS:

Current gifts are unrestricted and may be used immediately to meet the needs of the organization.

- General Donations of Tangible Items
Examples include consumable supplies, auction donations
- In-Kind Donations
Services that reduce the overall operating costs of the organization
- Individual Giving
Cash in one form or another, unrestricted in its use

RESTRICTED GIFTS:

Gifts that are restricted in their use either through action of the donor or the Board of Directors/Trustees.

- Planned Giving
May include disbursements from an estate, life insurance policy, etc. An agreement for use of these funds may be put in place restricting their future use
- Endowment
Endowment funds are restricted as noted in the BGC GS Board of Directors Endowment Resolution and the Endowment Agreement entered into with the donor
- Cash Reserve**
This could be seen as a quasi-endowment or Board Directed Endowment. The Cash Reserve should have a separate agreement where its use is defined

Gift Review Committee

Any questions which may arise in the review and acceptance of gifts to the BGC GS will be referred to the Executive Committee, which will act as the Gift Review Committee.

Cash

1. All gifts by check shall be accepted by BGCGS regardless of amount.
2. Checks shall be made payable to the Boys & Girls Clubs of the Greater Santiam. In no event shall a check be made payable to an individual who represents BGCGS in any capacity.

Publicly Traded Securities

1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by BGCGS
2. For gift crediting and accounting purposes, the value of the gift of securities is the mean of the high and low prices on the date of the gift.
3. A gift of securities to BGCGS normally would be liquidated immediately. However, if the form or designation of the gift allows the possibility that it will be directed to the endowment, a decision regarding the liquidation of the securities will be deferred until that determination is made by the Gift Review Committee. If the funds are to be directed to the endowment fund, the certificates will be directed to the endowment's investment manager who will then act on the endowment Board's decision regarding whether to sell or hold the securities. This decision will be made based on portfolio considerations.

Closely Held Securities

1. Non-publicly traded securities may be accepted after consultation with the Gift Review Committee*.
2. Prior to acceptance, the Gift Review Committee will explore methods and timing of liquidation of the securities through redemption or sale. The Gift Review Committee will try to determine:
 - a. an estimate of fair market value;
 - b. any restrictions on transfer; and
 - c. whether and when an initial public offering might be anticipated.
3. No commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities.

Real Estate

1. Any gift of real estate must be reviewed by the Gift Review Committee*.
2. The donor normally is responsible for obtaining and paying for an appraisal of the property. The appraisal must be performed by an independent and professional agent.
3. The appraisal must be based upon a personal visit to, and inspection of, the property by the appraiser. Also, whenever possible, it must show documented valuation of comparable properties located in the same area.
4. The formal appraisal should contain photographs of the property, the tax map number, the assessed value, the current asking price, a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation or the title disputes.
5. The BGCGS reserves the right to require an environmental assessment of any potential real estate gift.

6. The property must be transferred to the BGCBS prior to any formal offer or contract for purchase being made.
7. The donor may be asked to pay for all or a portion of the following:
 - a. maintenance costs
 - b. real estate taxes
 - c. insurance
 - d. real estate broker's commission
 - e. other costs of sale
 - f. appraisal costs
8. For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate; however, this value may be reduced by costs of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

Life Insurance

1. A gift of a life insurance policy must be referred to the Gift Review Committee*.
2. The Board will accept a life insurance policy as a gift only if the BGCBS is named as the owner and beneficiary of 100 percent of the policy.
3. If the gift is a paid-up policy, the value for gift crediting and accounting purposes is the policy's replacement cost.
4. If the policy is partially paid up, the value for gift crediting and accounting purposes is the policy's cash surrender

Tangible Personal Property

1. Any gift of tangible personal property shall be referred to the Gift Review Committee* prior to acceptance.
2. A gift of jewelry, artwork, collections, equipment or software shall be assessed for its value to BGCBS, which may be realized either by being sold or by being used in connection with the organization's exempt purpose.
3. Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value.
4. BGCBS shall adhere to all IRS requirements relating to disposing of gifts of tangible personal property, and will provide appropriate forms to the donor and IRS.

Deferred Gifts

1. BGCBS encourages deferred gift arrangements for the benefit of the organization through any of a variety of vehicles:
 - a. charitable gift annuity
 - b. pooled income fund
 - c. charitable remainder trust
 - d. charitable lead trust
 - e. bequest
 - f. retained life estate

2. BCGGS (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of the organization's staff serving as personal representative for a donor to the organization does so in a personal capacity, and not as an agent of the organization.
3. BCGGS (or its agent) shall not act as a trustee of a charitable remainder trust.
4. When donors are provided with planned gift illustrations or form documents, they we be provided free of charge. For any planned-fit-related documents, materials, illustrations, letters, or other correspondence, the following disclaimer shall be included:

We strongly urge that you consult with your attorney, financial and/or tax advisor to review and approve this information provided to you without charge or obligation. This information in no way constitutes advice. We will gladly work with your independent advisors to assist in any way.
5. All information obtained from or about donors/prospects shall be held in the strictest confidence by BCGGS, its staff and volunteers. The name, amount or conditions of any gift shall not be published without the express written or oral approval of the donor and/or beneficiary.
6. BCGGS will seek qualified professional counsel in the exploration and execution of all planned gift agreements. The organization recognizes the right of fair and just remuneration for professional services.
7. The organization, upon the advice of the Gift Review Committee, reserves the right to decline any gift that does not further mission or goals of the organization. Also, any gifts that would create an administrative burden or cause the organization to incur excessive expenses may be declined.

IN ALL CASES the donor must be advised by staff and members to seek professional advice regarding the tax benefits of any gifts.

*Due to limited number of board members, the Endowment Committee will act as the Gift Review Committee until this policy is amended.

**10% of single unsolicited donations, not related to a fundraising event or campaign, of more than \$1,000, will be set aside to the Cash Reserve Fund.

DEFINITIONS:

Charitable Remainder Trust: A charitable remainder trust (CRT) is an irrevocable trust that generates a potential income stream to the donor, as the donor to the CRT, or other beneficiaries, the remainder of the donated assets goes to the designated charity at the death of the donor.

Pooled Income Fund: A pooled income fund is a type of charitable mutual fund created from securities or cash donated by an individual, a family or a corporation to a charity, which is then invested to provide dividends for both the donor and charity. The donations are irrevocable and tax-deductible and must be from personal assets