

The purpose of this Gift Acceptance Policy (“Policy”) is to give guidance to individuals within the Bainbridge Community Foundation (“BCF”) regarding the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of private sector gifts.

BCF seeks gifts that will further its mission, goals, and objectives in the most ethical and unencumbered manner. Additionally, BCF avoids gifts that could compromise its ability to accomplish its mission and goals or could jeopardize its tax-exempt status. Thus, the following must be considered:

- a. *Core Values* – Is the gift one that is consistent with BCF’s standards, principles, and core values?
- b. *Compatibility of Cause* – Will the gift unnecessarily challenge BCF’s ability to further its mission, goals, or objectives?
- c. *Public Relations* – Does the acceptance of the gift present BCF in an unfavorable light? Does it appear that there may exist a conflict of interest between the donor and BCF?
- d. *Motivation* – Is there clear charitable intent and a commitment to BCF?
- e. *Consistency* – Will the acceptance of the gift be compatible and in agreement with other fundraising activities or gifts of BCF?
- f. *Credibility* – Are the circumstances surrounding the donor and the gift believable?
- g. *Organizational Stability* – If controversy develops, will it be significant enough to weaken the structure of BCF?
- h. *Form of Gift* – Will the nature of the contribution create problems, such as in advertising, sponsorship, or international projects?
- i. *Source of Gift* – Who is the donor? Is the gift from an individual or corporation? Does the donor represent a perceived conflict of interest, or might the donor’s objectives not fit with the mission of BCF?

General Guidelines.

1. The Board of Trustees is responsible for this Policy.
 - a. This responsibility cannot be delegated or waived.
 - b. The Board of Trustees shall review this Policy and related policies and authorizations at least annually.
 - c. All fundraising activities and gift acceptance policies and implementation are designed by the Board of Trustees and managed by the Executive Director in conjunction with the appropriate staff.
 - d. The Board of Trustees may amend this Policy.
2. The Board of Trustees and the BCF staff consisting of the Executive Director and Philanthropic Services Staff shall have the authority to solicit and accept gifts on behalf of BCF in compliance with this Policy. The Board is responsible for accepting gifts or authorizing the acceptance of gifts.



3. The Board of Trustees shall authorize the solicitation and acceptance of gifts on behalf of BCF by volunteers before such solicitation and/or acceptance will be made.
4. The Fund Agreement for all funds with one or more current living donors shall be completed and signed by the donor(s), Executive Director, and President.
5. To ensure consistency with BCF's mission and policies, appropriate staff, committee of the Board of Trustees, legal counsel, and/or the Board of Trustees members may consider the merits of a particular gift, the situation surrounding the gift and other related factors along with this Policy.
6. BCF shall be responsible for good stewardship toward its donors and shall follow and provide the following:
 - a. All gifts shall be acknowledged within a reasonable period of time.
 - b. All gift acknowledgement letters and/or receipts shall be prepared by the Executive Director or the Executive Director's designee.
 - c. Gifts to BCF shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP) or the National Council on Planned Giving (NCPG).
 - d. BCF shall maintain and control files, records, and mailing lists regarding all donors and donor prospects.
 1. Appropriate use will be made of information and contacts that Board of Trustee members, volunteers, or the staff have with potential donors.
 2. Written reports of interviews and solicitations shall be maintained in the donor prospect file and/or computer.
7. The Executive Director and Board representatives are authorized to negotiate planned gift agreements with prospective donors so long as they follow approved guidelines by the Board of Trustees.
 - a. BCF's legal counsel shall first review and approve all planned giving agreements requiring execution.

Gifts that May be Accepted Without Board of Trustees Prior Review.

The following gifts in this section do not require review by the Board of Trustees prior to acceptance.

1. **Cash.** Unrestricted gifts of cash or cash equivalents do not require approval by the Board of Trustees prior to acceptance. Routine gifts are accepted and administered through the normal BCF receipting process. The following are considered unrestricted and outright gifts of cash:
 - a. Cash;
 - b. Check; and
 - c. Credit Card payments.
2. **Publicly traded securities.** Unrestricted gifts of securities do not require approval by the Board of Trustees prior to acceptance. Securities shall be:
 - a. Received into an account maintained at JP Morgan Chase Bank, One Chase Manhattan Plaza, New York City, NY 10005 for the benefit of BCF's account with National Financial Services, Inc.



- b. Acknowledged to the donor with a description of the gift (security name and number of shares), the date of transfer, and the settlement date.
 - c. Sold immediately by BCF upon receipt into the account. The funds available after the sale will be invested towards BCF assets.
3. **Small Value Gifts.** Gifts having the value of less than \$5,000 do not require review of the Board of Trustees prior to acceptance.

Gifts that May be Accepted Subject to Prior Review.

The following gifts in this section requires review by the Board of Trustees prior to acceptance.

1. **In-kind worth \$5,000 or more.** Any in-kind gifts of property valued at \$5,000 or more must be approved by BCF's Board.
2. **Life Insurance.** Upon review and approval of the Board of Trustees of a life insurance gift, BCF will generally be the owner and beneficiary of the life insurance policy. A life insurance policy may be surrendered or retained for its cash surrender value.
 - a. If the life insurance policy is surrendered, then the value shall be contributed to any new or existing BCF fund. The receiving BCF fund may be agreed upon by the donor and the Board of Trustees. If no agreement has been made, then the Board of Trustees shall decide which BCF fund will receive the money.
 - b. If the life insurance policy is retained, then the Board of Trustees shall make the future management decisions. The following options are to be considered:
 1. The donor continues to pay any premiums due.
 2. The premium could be paid from life insurance policy dividends or accumulated life insurance policy values.
 3. The premiums could be paid from available BCF funds.
 4. The life insurance policy could be changed to paid-up status with no premiums due.
 5. The Board of Trustees may decide at any future date to surrender the life insurance policy for its surrender cash value.
3. **Noncash Gifts.** Noncash gifts will only be accepted if they are convertible to cash either within six (6) months after receipt or when BCF needs to utilize the gift in its operations. All noncash gifts shall be sold at the discretion of BCF and converted to cash at the earliest opportunity with consideration of the current market conditions and the potential use of the gift pursuant to BCF's mission.
4. **Real Estate and Personal Property.** Unless the donor assumes all carrying costs until gifted property is liquidated, property encumbered by mortgage or other indebtedness may not be accepted.
 - a. Exceptions may apply when the value of the property exceeds the anticipated exposure, the property will produce income, or the property will be utilized by BCF in its programs.



- b. Appraisals of property gifts over \$5,000 shall be obtained through an independent third-party appraiser pursuant with current tax law requirements (subject to the exception for gifts of publicly traded securities). Appraisal fees shall be borne by the donor.
5. **Restricted Funds.** In drafting written instruments for the gift of restricted funds to BCF, it is strongly encouraged for donors to provide permission for the gift to be applied to a general purpose, especially if the designated purpose is no longer feasible. Feasibility of the designated purpose shall be determined by the Board of Trustees.
6. **Charitable Remainder Trust.** A charitable remainder trust is a separate trust agreement between the donor and the donor's chosen trustee. BCF will not act as a trustee. However, BCF shall accept the gift subject to the Board of Trustee's approval.

Gifts that May Not be Accepted.

1. **Inconsistent with BCF mission.** BCF may refuse any gifts inconsistent with its mission. Gifts with charitable intent may be accepted.
2. **In Violation of the Law.** Gifts that violate any federal, state, or local laws shall not be accepted.
3. **Jeopardize Tax-Exempt Status.** Gifts that may jeopardize BCF's tax-exempt status shall not be accepted.
4. **Unreasonable conditions.** Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest and property shall not be accepted.
5. **Financially Unsound.** Gifts that are financially unsound shall not be accepted.
6. **Liability Exposure.** Gifts that could expose BCF to unreasonable liability shall not be accepted.
7. **Annuity Payments.** BCF shall not accept any gifts requiring annuity payments that will be guaranteed by BCF.
8. **Overly Restrictive Gifts.** BCF may not accept gifts that are overly restrictive in purpose. Unrestricted gifts are those with the least restrictions that allow BCF to address its most pressing needs. Unless the Board of Trustees grants an exception, the following gifts shall not be accepted:
 - a. Gifts that contain a condition that requires any action by BCF that is viewed unacceptable by the Board of Trustees.
 - b. Gifts that contain a condition that the proceeds will be spent by BCF for the personal benefit of a named individual or individuals.
 - c. Gifts that require BCF and its administration to employ a specified person at any point in time.
 - d. Gifts that prevent BCF from seeking gifts from other donors.
 - e. Gifts that expose BCF to adverse publicity, litigation, or other liabilities.
 - f. Gifts that require undue expenditures, or involve BCF in unexpected responsibilities because of their source, conditions, or purpose.
 - g. Gifts that are considered "pass through" transactions whereby BCF is acting as a fiscal agent, unless variance power shall be provided to BCF causing the activity to be considered a restricted



contribution in accordance with accounting standards generally accepted in the United States of America.

- h. Gifts that involve unlawful discrimination based upon race, religion, gender, sexual orientation, age, national origin, color, disability, or any other basis prohibited by federal, state, and local laws.

Miscellaneous Provisions.

1. **Expenses.** The donor shall pay any associated expenses of a gift made to BCF, including, but not limited to, the cost of any required appraisals, environmental reviews and assessments, and title insurance. BCF shall not pay commissions or finder's fees as consideration for directing a gift to BCF. Prospective donors shall be responsible for their own legal, accounting, appraisal, transportation, and other fees related to their gift.
2. **Acknowledgement by Donors of Non-Cash Gifts.** To avoid conflicts of interest, the unauthorized practice of law, the rendering of investment advice, or the dissemination of income or estate tax advice, all donors of noncash gifts shall acknowledge that BCF is not acting as a professional advisor rendering opinions on the gift; BCF does not provide personal legal, financial, or other professional advice to donors. All information concerning BCF's gift planning is to be for illustrative purposes only and is not to be relied upon in individual circumstances. BCF strongly encourages donors to seek their own tax and legal counsel before making a gift. BCF may require a letter of understanding from a donor of a property gift, along with proof of outside advice being rendered to a donor, before such a gift will be accepted.
3. **Confidentiality.** Information regarding donors and prospective donors and their gifts/estates shall be kept confidential by BCF and its representatives, subject to donor approved disclosures and disclosures required by applicable law and reporting requirements. This donor confidential information includes, but are not limited to, donor and prospective donor names, their beneficiaries' names, the nature and amounts of their gifts, and the size of their estates.
4. **Exceptions.** In extraordinary circumstances, exceptions to the provisions of this Policy may be made on an individual basis. Exceptions shall require the approval of the Board of Trustees.



Certification of Adoption:

The foregoing Policy was adopted by the Board of Trustees on September 19, 2023.

By: 

Date: 9/19/23

Brittany Kirk, Secretary