

## **Gift Acceptance Policies**

### **Purpose**

These policies are provided to guide staff as well as the Board in determining whether and how gifts will be received by The North Star Community Foundation (hereinafter "Foundation") and how they will be utilized to further our mission.

### **Procedures**

The Foundation actively solicits gifts and grants to further the mission of the organization. There is a potential that the acceptance of certain gifts could compromise the ability of the organization to accomplish its goals or could jeopardize its exempt status. Hence, the following gift acceptance policies shall apply to all gifts offered to the Foundation before acceptance of said gifts.

### **Acceptable Gifts**

1. Cash. The Foundation does not accept currency but accepts checks, money orders and gifts by credit card.
2. Marketable Securities. The North Star Community Foundation will create an agreement with The Alaska Community Foundation if it accepts gifts of publicly traded stocks and bonds. The policies of The Alaska Community Foundation would govern these gifts: when the securities are in "street name," they are transferred to the Alaska Community Foundation's custodial account; thereafter it may either sell or hold the securities for the benefit of the North Star Community Foundation. When the gift is in the form of physical securities, ACF may either sell or hold the securities for the benefit of the North Star Community Foundation.
3. Stock in Privately Owned Companies. The North Star Community Foundation will create an agreement with The Alaska Community Foundation if it accepts such stocks and must have a qualified appraisal performed by an independent professional appraiser. The policies of The Alaska Community Foundation would govern these gifts. If immediately marketable, the stocks are sold. If not, they are kept (in the safe) until they can be redeemed or liquidated. Redemption should normally be made within a five year period. Prior to approval, such gifts are reviewed by the Foundation board (and legal counsel if deemed necessary) including any variance from the normal redemption period. Any gifts that would be subject to rules related to excess business holding must be divested within the time period established under the excess business holding rules.

4. Stock in subchapter S Corporations. See policy for sections 2 and 3. The same applies for stock in subchapter S Corporations.
5. Real Estate. All real estate gifts are directed to the Foundation board for review and approval. Concerns include legality, mortgages, easements, restrictions, and environmental problems. Until the property is sold, the donor must provide for obligations such as taxes and insurance. More detailed rules related to real estate gifts are outlined in a separate policy related to such gifts.
6. Tangible Personal Property. The property must be readily saleable and the donor must agree that the property can be sold unless the Foundation agrees to use the property for a purpose related to its exempt purpose. Prior to approval, such gifts must be reviewed by the Foundation board (and legal counsel if deemed necessary).
7. Partnership Interests and Interests in Limited Liability Companies (LLC). These will be considered by the board on a case-by-case basis.

### **Authority to Accept Gifts**

The President of the Foundation, subject to board policy, shall have the authority to solicit and accept or decline gifts on behalf of the Foundation. If there is a question regarding whether or not the gift is within the foundation policy or there is a special reason why the gift should be accepted or declined, staff will bring the issue to the board. Staff will periodically report all gift acceptances and declines to the board.

### **Gift Acceptance**

The Foundation reserves the right to decline any financial commitment, gift, or bequest, as well as the right to determine how a gift will be credited and/or recognized without explanation.

1. The Foundation will pay no commissions or finder's fees as consideration for directing a gift to the Foundation or to any of the Foundation's affiliates.
2. Donors are responsible for obtaining their own appraisals for tax purposes of real property or tangible or intangible personal property being given to the Foundation and for any fees or other expenses related to such appraisals.
3. The Foundation retains the right to obtain its own qualified appraisals of real property or tangible or intangible personal property being offered as a gift at its own expense.

4. The President shall cause an acknowledgement and receipt of the gift to be sent to the donor. The acknowledgement will only issue a receipt of a dollar amount if the gift is in cash or marketable securities or is accompanied by an appraisal or sales invoice (on smaller items). If these documents are not available, the receipt will state that The Foundation has received the gift and the Foundation will send an IRS Non-cash Charitable Contributions Form 8283 for the donor to fill out and have signed. Once returned to the Foundation it will be sent to the appropriate persons for signature and then be returned to the donor for tax purposes.

5. Prospective donors shall be strongly encouraged in all cases to consult with their own independent legal and/or tax advisors about proposed gifts, including tax and estate planning implications of the gifts. No representative of the Foundation shall provide legal or tax advice to any donor or prospective.

### **Confidentiality**

All information about donors and prospective donors, including but not limited to their names, the names of their beneficiaries, the nature and amounts of their gifts and the sizes of their estates will be kept strictly confidential by the foundation and its representatives, unless the donor grants permission to release such information. All requests by donors for anonymity will be honored, except to the extent that the Foundation is legally required to disclose the identity of donors.

### **Amendment to these Policies**

The Board, as deemed necessary, might amend these Gift Acceptance Policies.