



# Alpha Delta State Ohio Educational Foundation (ADSOEF)

## GIFT ACCEPTANCE POLICY

### OPERATING POLICY

**Effective Date: 9/15/2018**

**Review Date(s): 10/16/2023; 3/20/2023**

**Revision Date(s): 3/20/2023**

**Number of Pages: 3**

### I. Overview

ADSOEF solicits and accepts gifts that are consistent with its mission and that support ADSOEF core programs, as well as special projects. The Board of Directors encourages all prospective donors to seek the assistance of personal, legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

Donations and other forms of support will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities.

In the course of regular fundraising activities, the Board of Directors of ADSOEF will accept donations of money, real property, personal property, stock, and in-kind services. However, certain types of gifts must be reviewed prior to acceptance due to the special liabilities they may pose for ADSOEF. Examples of gifts that will be subject to review include gifts of real property, gifts of personal property, and gifts of securities.

The Board of Directors will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for

- a. gifts of securities that are subject to restrictions or buy-sell agreements;
- b. documents naming ADSOEF as trustee or requiring ADSOEF to act in any fiduciary capacity;
- c. gifts requiring ADSOEF to assume financial or other obligations;
- d. transactions with potential conflicts of interest;
- e. gifts of property that may be subject to environmental liability or other regulatory factors.

Board of Directors will not accept gifts that

- a. would result in ADSOEF violating its *Bylaws*;
- b. would result in ADSOEF losing its 501(c)(3) not-for-profit status;
- c. are too difficult or too expensive to administer in relationship to their value;
- d. could result in any unacceptable consequences for ADSOEF;
- e. are for purposes outside the ADSOEF's mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

## **II. Gifts Generally Accepted Without Review**

A. *Cash*. Cash gifts are acceptable in any form, including check, money order, credit card, or on-line via PayPal. Donors wishing to make a gift by credit card must provide the card type, card number, expiration date, and name of the card holder as it appears on the credit card.

B. *Marketable Securities*. Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power with appropriate signature guarantees attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by ADSOEF's Board of Directors.

C. *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans*. Donors are encouraged to make bequests to ADSOEF under their wills, and to name ADSOEF as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

D. *Charitable Remainder Trusts*. ADSOEF will accept designation as a remainder beneficiary of charitable remainder trust.

E. *Charitable Lead Trusts*. ADSOEF will accept designation as an income beneficiary of charitable lead trusts.

### **III. Gifts That May be Accepted Based upon Board Review**

A. *Tangible Personal Property.* The Board of Directors shall review and determine whether to accept any gifts of tangible personal property in light of certain considerations. Does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?

B. *Life Insurance.* The Board of Directors will accept gifts of life insurance where ADSOEF is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

C. *Real Estate.* All gifts of real estate are subject to review by the Board of Directors. Prior to acceptance of any gift of real estate, the Board of Directors shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the Board may retain a qualified environmental firm to conduct an environmental audit. The Board of Directors shall review and determine whether to accept a gift of real estate in light of certain considerations. Is the property useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

D. Other.

### **IV. Written Acknowledgment of Gifts**

ADSOEF shall record each gift received at its valuation for gift purposes on the date of the gift, following Generally Accepted Accounting Principles (GAAP).

Written acknowledgment of all gifts made to ADSOEF shall be in compliance with the current IRS requirements.