Gift Acceptance Policy

1. Policy and Purposes

This Policy governs the solicitation and acceptance of gifts by the Juneau Community Foundation (“Foundation”). The board of directors or authorized committees (the “Board”) of the Foundation and its staff solicit current and deferred gifts from individuals, corporations, foundations and others for purposes that will further and fulfill the Foundation’s mission.

Purposes of this Policy include:

* 1. guidance for the Board, officers, staff and other constituencies with respect to their responsibilities concerning gifts to the Foundation; and
  2. guidance to prospective donors and their professional advisors when making gifts to the Foundation.

The provisions of this Policy shall apply to all gifts received. Notwithstanding the foregoing, the Foundation reserves the right to revise or revoke this Policy at any time, and to make exceptions to the Policy.

1. Use of Legal Counsel
   1. The Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by legal counsel is recommended for:
      * Closely held stock transfers that are subject to restrictions or buy-sell agreements;
      * Documents naming the Foundation as trustee (e.g., for a charitable remainder trust);
      * Gifts involving contracts such as bargain sales, partnership agreements, or other documents requiring the Foundation to assume an obligation;
      * Transactions with a potential conflict of interest;
      * Gifts of real estate;
      * Pledge agreements; and
      * Any gift with restrictions
   2. Donor. For non-standard gifts, in order to avoid any conflicts or potential conflicts of interest, the Foundation should encourage prospective donors to seek the assistance of their own legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.
2. General Policy

The Foundation shall not accept gifts that:

* Would jeopardize the Foundation’s status as an organization or as an exempt foundation under state or federal law;
* Are too difficult or expensive to administer;
* Are for purposes that do not further the Foundation’s objectives; or
* Could damage the reputation of the Foundation.

Subject to Section 4 below, all final decisions on the acceptance or refusal of a gift shall be made by the Board.

1. Policy Regarding Specific Types of Gifts
   1. Gifts Generally Accepted Without Review. The Foundation will generally accept unrestricted donations of cash, checks, money orders, gifts by credit card and marketable securities without prior review by the Board. Checks shall be made payable to the Foundation. Unrestricted marketable securities may be transferred to an account maintained by the Foundation at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. All marketable securities shall normally be sold as soon as practical following receipt, unless otherwise directed by the Board.
   2. Gifts Subject to Board Review Prior to Acceptance. All other gifts must be reviewed by the Board prior to acceptance, unless the Board authorizes certain de minimis gifts or categories of gifts to be accepted without its review. The following guidelines also apply:
      1. Tangible Personal Property: The Board shall review and decide whether to accept gifts of tangible personal property by considering the following factors:
         1. Whether the property furthers the mission of the Foundation;
         2. The marketability of the property;
         3. The restrictions on the use, display, or sale of the property; and
         4. Carrying costs and possible liability for the property.
      2. Closely-Held Securities: Closely-held securities, including debt and equity positions in non-publicly traded companies, interests in LLPs and LLCs, or other ownership forms, can be accepted subject to the approval of the Board. The Board shall review and decide whether to accept closely held securities based on the following factors:
         1. Restrictions on the security that would prevent the Foundation from ultimately converting the securities to cash;
         2. The marketability of the securities; and
         3. Any undesirable consequences for the Foundation from accepting the securities.

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. The final determination on the acceptance of closely held securities shall be made by the Board of the Foundation with advice of legal counsel when deemed necessary. Non-marketable securities shall be sold as quickly as possible.

* + 1. Bequests: Donors may make bequests to the Foundation under their wills and trusts. A bequest other than cash or other liquid assets must be reviewed by the Board to consider whether to accept it based on the principles set out in these policies.
    2. Charitable Remainder Trusts: The Foundation may accept designations as remainder beneficiary of a charitable remainder trust. The Foundation may accept appointment as trustee of a charitable remainder trust.
    3. Charitable Lead Trusts: The Foundation may accept designations as income beneficiary of a charitable lead trust. The Foundation may accept an appointment as trustee of a charitable lead trust.
    4. Retirement Plan Beneficiary Designations: The Foundation may accept designations as beneficiary of donors’ retirement plans. Designations will not be recorded as gifts until the gift is irrevocable.
    5. Life Insurance: The Foundation may accept designations as beneficiary and owner of a life insurance policy. The life insurance policy will be recorded as a gift once the Foundation is named as both beneficiary and irrevocable owner of a life insurance policy. The gift shall be valued in accordance with Generally Accepted Accounting Principles. If the donor contributes future premium payments, the 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 Foundation may:
       1. Continue to pay the premiums;
       2. Convert the policy to paid up insurance, or
       3. Surrender the policy for its current cash value.

Donors may name the Foundation as beneficiary or contingent beneficiary of their life insurance policies. Designations will not be recorded as gifts until the gift is irrevocable.

* + 1. Real Estate: Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest.

*Environmental Review.* Prior to acceptance of real estate, the Foundation shall require an initial environmental review of the property to ensure that the property has no environmental problem. If the initial inspection reveals a potential problem, the Foundation shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall be an expense of the donor.

*Title Insurance.* A title insurance policy shall be obtained by the Foundation prior to the acceptance of the real property gift when appropriate. The cost of this title insurance shall be an expense of the donor.

*Factors for Acceptance.* The Board and legal counsel shall review and decide whether to accept real property based on the following factors:

* + - 1. Whether the property is useful for the purposes of the Foundation;
      2. The marketability of the property;
      3. Any encumbrances, leases, restrictions, reservations, easements, or other limitations associated with the property;
      4. Any carrying costs associated with the property, including insurance, property taxes, mortgages, notes or other costs;
      5. Any concerns that the environmental audit reveals.
    1. Remainder Interests in Property: The Foundation will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of this Paragraph 4. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the life tenant(s), the Foundation may use the property or reduce it to cash. Expenses for maintenance, real estate taxes, and any property indebtedness shall be paid by the donor or primary beneficiary.
    2. Restricted Gifts: A gift with restrictions will be accepted only if and when the restrictions are approved by the Board.
    3. Named Funds: A donor, or group of donors, may contribute and name a fund and restrict the use of the income or principal of the fund. Named funds are subject to the fees and minimum contribution rules set forth in the Foundation’s Administrative Fee Schedule as may be promulgated from time to time.

1. Additional Provisions
   1. Gift Agreements. Where appropriate, the Foundation shall enter into a written gift agreement with the donor, specifying the terms of any restricted gift, which may include provisions regarding donor recognition and use of earnings derived from the gift.
   2. Pledge Agreements. Acceptance by the Foundation of pledges by donors of future support of the Foundation (including by way of matching gift commitments) shall be contingent upon the execution and fulfillment of a written charitable pledge agreement specifying the terms of the pledge, which may include provisions regarding donor recognition.
   3. Fees. The Foundation will not accept a gift unless the donor is responsible for (1) the fees of independent legal counsel retained by donor for completing the gift; (2) appraisal fees; (3) environmental audits and title binders (in the case of real property); and (4) all other third-party fees associated with the transfer of the gift to the Foundation.
   4. Valuation of Gifts. The Foundation shall record gifts received at their valuation on the date of gift, except that, when a gift is irrevocable, but is not due until a future date, the gift may be recorded at the time the gift becomes irrevocable in accordance with GAAP.
   5. IRS Filings upon Sale of Gifts. To the extent applicable, the Board shall file IRS Form 8282 upon the sale or disposition of any charitable deduction property sold within three (3) years of receipt by the Foundation. “Charitable deduction property” means any donated property (other than money and publicly traded securities) if the value claimed by the donor exceeds $5,000 per item or group of similar items donated by the donor to one or more donee Foundations (e.g., the property listed in Section B on Form 8283). The Foundation shall file this form within 125 days of the date of sale or disposition of the asset.
   6. Written Acknowledgement. The Board shall provide written acknowledgement of gifts in compliance with IRS requirements.
   7. Changes to or Deviations from the Policy. This Policy has been reviewed and accepted by the Foundation's Board, which has the sole power to change it. The Board must approve in writing any deviations from this Policy.