

# FRIENDS OF THE YOLO BRANCH LIBRARY OF YOLO

## DONOR GIFT ACCEPTANCE POLICY

**1. Purpose:** The Friends of the Yolo Branch Library of Yolo seeks outright gifts and future gift commitments that are consistent with its mission. Donations generally will be accepted from individuals, partnerships, corporations, organizations, government agencies, or other entities without limitations—unless acceptance of gifts from a specific source is inconsistent with the mission of the organization, conflict with its core values, or would create a financial, administrative or programmatic burden. The Friends of the Yolo Branch Library of Yolo will not engage in doubtful arrangements that could jeopardize the donor’s tax advantage or exempt status and financial stability of the Friends of the Yolo Branch Library of Yolo. The Friends of the Yolo Branch Library of Yolo will observe and respect the confidentiality of all donor negotiations and gift arrangements.

**2. Authority to Accept Gifts:** The board of directors may accept an outright, unrestricted cash gift of any amount and may accept a noncash gift (including real property, stock, or a planned gift vehicle) after review and consideration of any restrictions or limitations.

**3. Professional Relationships:** In all dealings with legal, financial, and planned giving advisors, ethical relationships will be established and maintained. The Friends of the Yolo Branch Library of Yolo will not draft legal documents for any donor or planned gift. In most cases, any and all fees associated with planned gift legal documents, appraisals, or assessments will be paid by the donor before the gift is accepted. All documents submitted by the donor’s advisors will be reviewed by the Friends of the Yolo Branch Library of Yolo’s legal counsel.

### **4. Outright Gifts:**

#### **A. Cash:**

Gifts in the form of cash and checks shall be accepted regardless of amount unless there is a question as to whether the donor has sufficient title to the assets or is competent to legally transfer the funds as a gift to the Friends of the Yolo Branch Library of Yolo. All checks must be made payable to the Friends of the Yolo Branch Library of Yolo.

#### **B. Multiyear Gifts:**

Multiyear pledges for major gifts are encouraged, but for no more than three to five years. Donors should complete and sign a pledge agreement form detailing the purpose of the gift, payment schedule, and how they wish their names to appear in donor-recognition materials.

***C. Restricted Gifts:***

The Friends of the Yolo Branch Library of Yolo's can accept gifts for unrestricted, restricted and endowment purposes. Donors are encouraged to leave their charitable bequests by will as unrestricted, rather than for specific program areas that may or may not be in existence in the future.

***D. Publicly Traded Securities/Closely Held Securities:***

Securities, which are traded on the New York or American Stock Exchange, or other readily marketable securities, shall be accepted by the board of directors and sold at an appropriate time. Non-publicly traded securities may also be accepted after approval by the board of directors.

***E. Real Property:***

No gift of real estate shall be accepted unless:

- i. The donor has first obtained and paid for an appraisal of the property's fair market value by an independent appraiser acceptable to the Friends of the Yolo Branch Library of Yolo.
- ii. If appropriate to the property, the donor has first obtained and paid for a Level I Environmental Site Assessment performed by a qualified geologist, engineer, or site assessment firm. Clean-up of contamination must be completed prior to the acceptance of the gift property.
- iii. At least two members of the Friends board of directors have inspected the property.
- iv. The Friends of the Yolo Branch Library of Yolo will not accept real estate encumbered by mortgage, lien, or court judgment unless special circumstances exist and appropriate IRS forms must be completed.

***F. Tangible Personal Property and Gifts In-Kind:***

Gifts of tangible property and in-kind gifts will have a use related to the organization's tax-exempt purposes. These gifts must be used by or sold for the benefit of the organization. If gift items are sold, the organization must follow all IRS requirements for disposing of gifts of tangible personal property and filing the appropriate tax reporting forms. Any gift of property worth more than \$5,000 in the United States requires an authorized appraisal, which will be paid for by the donor. The Friends of the Yolo Branch Library of Yolo does not determine the value of donated personal property.

A gift-in-kind is an item such as equipment, software or a product that a donor voluntarily transfers to the Friends of the Yolo Branch Library of Yolo without charge or consideration.

Only the Friends of the Yolo Branch Library of Yolo's board of directors has the authority to accept gifts-in-kind.

Once accepted, the donated item(s) become the property of the Friends of the Yolo Branch Library of Yolo, which retains the right to dispose of a gift-in-kind as it sees fit, unless another arrangement has been made with the donor. No personal property shall be accepted that obligates the Friends of the Yolo Branch Library of Yolo to ownership in perpetuity.

**5. Planned Gifts:** The Friends of the Yolo Branch Library of Yolo will involve itself only in the recognized legal and approved forms of planned gifts that are authorized by the Internal Revenue Code and that are controlled by subsequent IRS regulations. Planned gift types include bequests, life insurance, irrevocable or revocable trusts, life estates, charitable remainder annuity and unitrusts, and charitable lead trusts (annuities). Gift types can be funded with cash, marketable securities, closely held stock, real estate, notes, mortgages and contracts, and miscellaneous tangible personal property. The Friends of the Yolo Branch Library of Yolo's legal counsel will review all planned gift vehicles prior to acceptance.