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GIFT ACCEPTANCE POLICIES AND GUIDELINES

Girl Scouts of Central Maryland, a not-for-profit organization organized under the laws of the State of Maryland, encourages the solicitation and acceptance of gifts to Girl Scouts of Central Maryland (“GSCM”) for purposes that will help GSCM to further and fulfill its mission. The following policies and guidelines govern the acceptance of gifts made to GSCM or for the benefit of any of its programs. The mission of GSCM is to build girls of courage, confidence, and character who make the world a better place.

Purpose of Policies and Guidelines

The Board of Directors of GSCM and its staff solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of GSCM. These policies and guidelines govern the acceptance of gifts by GSCM and provide guidance to prospective donors and their advisors when making gifts to GSCM. The provisions of these policies shall apply to all gifts received by GSCM for any of its programs or services.

Use of Legal Counsel

GSCM shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- Documents naming GSCM as Trustee.
- Gifts involving contracts, such as bargain sales or other documents requiring GSCM to assume an obligation.
- Transactions with potential conflict of interest that may invoke IRS sanctions.
- Other instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee.

Conflict of Interest

GSCM will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. GSCM will comply with the *Model Standards of Practice for the Charitable Gift Planner* promulgated by the Partnership for Philanthropic Planning (“Model Standards”), attached as Appendix 1 to this document.

Responsibility to Donors

- *Commitment to a Donor-Centered, Philanthropic Approach:* GSCM, its staff and volunteer representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in a donor-centered way. In many circumstances, this may involve the donor's professional advisors, as charitable support is often integrated with a donor's overall tax, estate and financial planning.
- *Confidentiality:* Information concerning all transactions between a donor and GSCM shall be held by GSCM in confidence, and may be disclosed only with the permission of the donor or the donor's designee.
- *Anonymity:* GSCM shall respect the wishes of any donor requesting anonymity and will implement reasonable procedures to safeguard such donor's identity.
- *Ethical Standards:* GSCM is committed to the highest ethical standards. GSCM, its staff and volunteer representatives shall adhere to both the *Model Standard* and the [Code of Ethical Principles and Standards](#) as adopted by the Association of Fundraising Professionals ("AFP") attached here as Appendix 2. GSCM will not participate in gift discussions if there is a question as to the title/ownership of the asset or the donor's competency to transfer an asset. GSCM also reserves the right to deny a gift if it does not fit within the ethical standards of the organization—e.g. accepting a gift that is contrary to the organization's commitment to inclusivity, etc.

The Gift Acceptance Committee

The Gift Acceptance Committee shall consist of:

- the Chair of the Fund Development Committee of the Board,
- the Chief Executive Officer ("CEO")
- the Chief Development Officer ("CDO")

The Gift Acceptance Committee is charged with the responsibility of reviewing atypical or unusual non-cash gifts made to GSCM, properly screening and accepting those gifts, and making recommendations to the board through the Fund Development Committee on gift acceptance issues when appropriate.

Restrictions on Gifts

GSCM will accept unrestricted gifts and gifts for specific programs and purposes, if such gifts are not inconsistent with its stated mission, purposes, and priorities. GSCM will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter; gifts that are too difficult to administer, or gifts that are for purposes outside the mission of GSCM. The Gift Acceptance Committee shall make all final decisions on the restrictive nature of atypical or unusual gifts, and its acceptance or refusal.

Types of Gifts

The following gifts are acceptable:

- Cash.
- Tangible Personal Property, subject to considerations noted below.
- Securities.
- Endowed Gifts.
- Gifts of in-kind services will be accepted at the discretion of GSCM.

The following gifts will be accepted on a case-by-case basis by the Gift Acceptance Committee and/or managed by a third party organization chosen by the donor

- Real Estate.
- Remainder Interests in Property.

The following planned gifts will be accepted and managed by a third-party organization chosen by the donor

- Life Insurance.
- Charitable Gift Annuities.
- Charitable Remainder Trusts.
- Charitable Lead Trusts.
- Retirement Plan Beneficiary Designations.
- Bequests.
- Life Insurance Beneficiary Designations.

The following criteria govern the acceptance of each gift form:

1. **Cash.** Cash is acceptable in any form. Checks shall be made payable to “GSCM” and shall be delivered to the Chief Development Officer, or designated staff member in GSCM’s administrative offices.
2. **Tangible Personal Property.** All other gifts of tangible personal property shall be examined in light of the following criteria:
 - Does the property fulfill the mission of GSCM?
 - Is the property marketable?
 - Are there any undue restrictions on the use, display, or sale of the property?
 - Are there any carrying costs for the property?

The Gift Acceptance Committee shall make the final determination on the acceptance of tangible property gifts that either a) are valued over \$5000, or b) would require any carrying cost(s).

3. **Endowed gifts.** Any unrestricted gift to a GSCM endowment fund will be accepted. Any restricted gift to establish a new donor-designated endowment shall meet the floor of \$25,000. Exceptions to this floor may be made on a case-by-case basis by the Gift Acceptance Committee.
4. **Securities.** GSCM can accept both publicly traded securities and closely held securities.
 - **Publicly Traded Securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Gift Acceptance Committee.
 - **Closely Held Securities.** Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of the Gift Acceptance Committee of GSCM. However, gifts must be reviewed prior to acceptance to determine:
 - there are no restrictions on the security that would prevent GSCM from ultimately converting those assets to cash;
 - i. the security is marketable; and
 - ii. the security will not generate any undesirable tax consequences for GSCM.

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 Gift Acceptance Committee of GSCM and legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell securities as quickly as possible.

5. **Real Estate.** Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, GSCM and/or the third party manager shall require that a Phase I Environmental Site Assessment ("Site Assessment") in conformance with ASTM E1527-13, as may be amended, be conducted of the property to ensure that the property has not been environmentally impacted and will not impose any

environmental liability upon GSCM. The Site Assessment shall be performed by a qualified environmental consultant, subject to GSCM's approval. In the event that the Site Assessment reveals a potential or recognized environmental concern, GSCM and/or the third party manager shall either a) decline such gift of real estate; or b) retain an environmental consultant and/or legal counsel for further advice prior to GSCM accepting such donation of real estate. The cost of any environmental consultant and/or counsel shall generally be an expense of the donor.

Prior to acceptance of the real property, the gift shall be approved by the Gift Acceptance Committee and by GSCM's legal counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of GSCM?
- Is the property marketable?
- Are there any material and/or adverse restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit reflect that the property is not damaged?

6. **Remainder Interests in Property.** GSCM and/or the third party manager will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of Paragraph 5 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the donor, GSCM may use the property or reduce it to cash. Where GSCM receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary prior to the property being transferred to GSCM.

7. **Life Insurance.** GSCM must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, GSCM 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, GSCM may:

- continue to pay the premiums;
- convert the policy to paid up insurance; or
- surrender the policy for its current cash value.

8. **Charitable Gift Annuities.** Charitable Gift Annuities will be referred to a third party manager of the donor's choice. The minimum gift for funding is determined by the third party manager.
 - a. **Charitable Remainder Trusts.** GSCM may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the Gift Acceptance Committee. GSCM may not accept appointment as trustee of a charitable remainder trust.
 - b. **Charitable Lead Trusts.** GSCM may accept a designation as income beneficiary of a charitable lead trust. The board of GSCM will not accept an appointment as Trustee of a charitable lead trust.
9. **Retirement Plan Beneficiary Designations.** Donors and supporters of GSCM will be encouraged to name GSCM as beneficiary of their retirement plans. Such designations will not be recorded as gifts to GSCM until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
10. **Bequests.** Donors and supporters of GSCM will be encouraged to make bequests to GSCM under their wills and trusts. Such bequests will not be recorded as gifts to GSCM until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
11. **Life Insurance Beneficiary Designations.** Donors and supporters of GSCM will be encouraged to name GSCM as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to GSCM until such time as the gift is irrevocable.

Miscellaneous Provisions.

It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to GSCM.

Naming Rights.

Naming of facilities requires the approval of the Gift Acceptance Committee.

Names of donors for new facilities are handled on a case-by-case basis based on scope, cost and length of construction. Typically, they shall not be acceptable unless at least 50% of the total construction costs or current replacement cost plus a maintenance endowment are committed and secure.

In certain circumstances the naming a facility may be approved at less than 50% of costs committed by the approval of the Gift Acceptance Committee.

The naming of buildings, facilities or properties having major renovations will follow the same policy as new construction. If a building, facility or property is already named, an additional name may be considered if the initial donor placed no explicit restrictions on future naming rights.

Internal sections of facilities are available for naming when at least 50% of the cost is provided.

GSCM will accept the naming of programs with the provision that a minimum gift of \$1Million is committed to endow the projected program costs.

As a part of the gift agreement process with the donor, GSCM will work with that donor on what parameters surround the naming. For example: defining a time-period for which the naming lasts, continued annual monetary commitments in conjunction with the naming, etc.

GSCM reserves the right to remove the name from any program, campership (camp scholarship), building or section of a building if an individual's actions, words or deeds are in conflict with the mission of GSCM and are deemed offensive by the Gift Acceptance Committee. The CEO and/or CDO will notify the parties involved of any changes.

Valuation of gifts for development purposes. GSCM will record a gift received by GSCM at its valuation for gift purposes on the date of gift, unless otherwise specified herein.

Responsibility for IRS Filings upon sale of gift items. The Finance staff and the Fund Development staff of GSCM is responsible for filing IRS Form 8282, attached here as Appendix 3, upon the sale or disposition of any asset sold within two years of receipt by GSCM when the charitable deduction value of the item is more than \$5,000. GSCM must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to these policies.

Acknowledgement of all gifts made to GSCM and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the staff of GSCM. IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions* are attached hereto as Appendix 4 and Appendix 5 respectively.

Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Fund Development staff of GSCM. The Gift Acceptance Committee of GSCM must approve any changes to, or deviations from, these policies.

Approved on May 17, 2016
Board of Directors, GSCM

Appendices:

- I. [Model Standards of Practice for the Charitable Gift Planner](#), as adopted by the Partnership for Philanthropic Planning (“PPP”).
- II. [Code of Ethical Principles and Standards](#) as adopted by the Association of Fundraising Professionals (“AFP”).
- III. [IRS Form 8282](#).
- IV. [IRS Publication 561 Determining the Value of Donated Property](#).
- V. [IRS Publication 526 Charitable Contributions](#).