

GIFT ACCEPTANCE POLICY

A Corporate Resolution of the Board of Directors of Matthew 25

Whereas Matthew 25 solicits and accepts gifts and grants from individuals, partnerships, corporations, foundations, government agencies, and other entities – gifts that will help the organization further and fulfill its mission, and

Whereas there is the potential for controversy if certain gifts are accepted, the Board of Directors of Matthew 25 adopted the following **Gift Acceptance Policy** on *[date]*:

1. *Factors to Consider*—When determining whether to accept or reject gifts, Matthew 25 will consider the following questions:
 - a. **Primary Benefit:** Is the primary benefit to Matthew 25 or to the donor? Will the gift benefit any of Matthew 25's operations, programs, or services?
 - b. **Compatibility:** Is there compatibility between the intent of the donor and Matthew 25's use of the gift?
 - c. **Form of Gift:** Is the gift offered in a form that Matthew 25 can use without incurring substantial expense or difficulty?
 - d. **Values:** Does the acceptance of the gift compromise any of the core values of Matthew 25?
 - e. **Public Relationships:** Might acceptance of the gift damage the reputation of Matthew 25?
 - f. **Consistency:** Is acceptance of the gift consistent with prior practice?
 - g. **Effect on Future Giving:** Will the gift will encourage or discourage future gifts?
2. *Decision-making Authority*—All decisions to accept or reject potentially controversial gifts or gifts with restrictive conditions will be made by the Executive Committee of the Board in consultation with the Executive Director.
3. *Gifts Generally Accepted Without Review*—
 - a. **Cash.** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), 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 Matthew 25's Administration and Finance Committee. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Executive Committee
 - c. **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans.** Donors are encouraged to make bequests to Matthew 25 under their wills, and to name Matthew 25 as the beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans
 - d. **Charitable Remainder Trusts.** Matthew 25 will accept designation as a remainder beneficiary of charitable remainder trusts
 - e. **Charitable Lead Trusts.** Matthew 25 will accept designation as an income beneficiary of charitable lead trusts
4. *Gifts Subject to Review before Acceptance*—Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:
- a. **Tangible Personal Property.** 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.** Matthew 25 will accept gifts of life insurance where Matthew 25 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 Executive Committee. Prior to acceptance of any gift of real estate other than a personal residence, Matthew 25 shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for

acceptance of gifts of real estate include: Is the property useful for Matthew 25'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?

5. *Restrictions on Gifts*—Matthew 25 will not accept gifts that
 - a. would result in Matthew 25 violating its corporate charter
 - b. would result in Matthew 25 losing its status as an IRC § 501(c)(3) not-for-profit organization
 - c. are too difficult or too expensive to administer in relation to their value
 - d. would result in any unacceptable consequences for Matthew 25, or
 - e. are for purposes outside Matthew 25's mission
6. *Use of Legal Counsel*—Matthew 25 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 Matthew 25 as trustee or requiring Matthew 25 to act in any fiduciary capacity
 - c. Gifts requiring Matthew 25 to assume financial or other obligations
 - d. Transactions with potential conflicts of interest, and,
 - e. Gifts of property which may be subject to environmental or other regulatory restrictions.
7. *Donor Advisors*—Matthew 25 urges 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.
8. *Endowment Gifts*—Matthew 25 also encourages donors to make contributions to the endowment fund of Matthew 25 at the Greater Cedar Rapids Community Foundation. Such contributions make a lasting impact as the endowment is maintained while Matthew 25 receives an annual distribution from the fund.