

FOUNDATION FOR METROWEST GIFT ACCEPTANCE POLICY

PURPOSE

This policy serves as a guideline to members of the Foundation for MetroWest (FFMW) staff involved with accepting gifts, outside advisors who assist in the gift planning process and prospective donors who wish to make gifts to FFMW.

The Executive Director, Development Director and Treasurer shall review and approve gifts to ensure compliance with applicable regulations, including but not limited to the requirements of the Pension Protection Act.

CASH

1. All gifts shall be accepted by FFMW regardless of amount.
2. Checks shall be made payable to "Foundation for MetroWest" or to a particular program or project of FFMW. In no event shall a check be made payable to an individual who represents FFMW.
3. Credit card gifts are reported on the day the credit card gift is received or postmarked. Gifts shall be acknowledged at the gross amount of the donation.

PLEDGES

Multi-year pledges may be payable in single or multiple installments and must have a value of at least \$1,000. The pledges may not exceed 5 years in duration. All donors must complete a pledge form or confirm the pledge in writing.

PUBLICLY TRADED SECURITIES

1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by FFMW.
2. Gifted securities will be sold immediately.
3. FFMW will record value of gift as the amount of cash received from the sale. FFMW will provide the donor with the average of the high and low on the date the securities are sold. The donor and his/her tax advisor have the responsibility to determine the value of the gift for the donor's tax purposes.

CLOSELY HELD SECURITIES

1. Non-publicly traded securities may be accepted after consultation and approval of the Executive Director or Treasurer.
2. Prior to acceptance, FFMW shall explore methods or liquidation for the securities through redemption or sale. FFMW shall attempt to contact the closely held corporation to determine:
 - a. An estimate of fair market value
 - b. Any restrictions on the transfer
 - c. Any recent sales, amounts and values

If FFMW determines that an appraisal is necessary, the donor will assume responsibility for any costs or fees for the appraisal. The appraiser shall be selected or approved by FFMW.

3. No commitment for repurchase of the closely held securities shall be made prior to the completion of the gift of the securities.

REAL ESTATE

1. Gifts of real estate must be reviewed by the Executive Director or Treasurer before acceptance.
2. The donor is responsible for obtaining an appraisal of the property. The cost and fees related to the appraisal shall be the responsibility of the donor.
3. FFMW must conduct a visual inspection of the property.
4. Due to the expenses associated with a gift of real estate, only gifts valued in excess of \$100,000 will be accepted.
5. The donor must provide the following documents:
 - a. Real estate deed
 - b. Real estate tax bill
 - c. Plot plan
 - d. Substantiation of zoning status
 - e. Any known or suspected environmental concerns
6. Depending on the value and desirability of the gift, the donor may be asked to pay for all or a portion of the following:
 - a. Maintenance costs
 - b. Real estate taxes
 - c. Insurance
 - d. Real estate brokers commission and other costs of sale
 - e. Environmental study
7. FFMW will record the value of the gift as the appraised value of the real estate. The donor and his/her tax advisor have the responsibility to determine the value of the gift for the donor's tax purposes. FFMW can choose to exclude from the value of the gift: costs for the maintenance, insurance, real estate taxes, broker's commission and other expenses of sale.

LIFE INSURANCE

1. FFMW will accept life insurance policies as gifts only when FFMW is named as the owner and beneficiary of 100% of the policy.
2. If the policy is a paid-up policy, the value of the gift for gift crediting and accounting purposes is the policy's replacement cost.
3. If the policy is partially paid-up, the value of the gift for crediting and accounting purposes is the policy's cash surrender value. (For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value.)

TANGIBLE PERSONAL ASSETS

1. Gifts of tangible personal property should have a use related to FFMW's exempt purpose.
2. Gifts of jewelry, artwork, collections, equipment, etc. may be accepted after review by the Executive Director or Treasurer.
3. Such gifts of personal property defined above shall be used or sold for the benefit of FFMW.
4. No property that requires special display facilities or security measures shall be accepted without permission of the Board of Trustees.
5. Depending upon the anticipated value of the gift, a qualified outside appraiser shall value the gift before it accepted. The donor is responsible for the cost or fees associated with the gift appraisal.
6. FFMW adheres to all IRS requirements related to disposing gifts of tangible personal property and filing appropriate forms.

PLANNED GIFTS

FFMW offers the following planned gift options when FFMW is a beneficiary or remainderman:

- Charitable gift annuities
- Deferred gift annuities
- Bequests

Charitable Gift Annuities

1. Administrative fees shall be paid from the income earned on the charitable gift annuity.
2. There shall be no more than 2 beneficiaries on a charitable gift annuity.
3. The minimum gift accepted to establish a charitable gift annuity is \$100,000.
4. FFMW will use an outside service such as PG Calc to determine annuity rates.
5. FFMW must be 100% remainderman.

Deferred gift annuities

1. Administrative fees shall be paid from the income earned on the deferred annuity.
2. There shall be no more than 2 beneficiaries on a deferred gift annuity.
3. The minimum gift accepted to establish a deferred gift annuity is \$100,000.
4. FFMW will use an outside service such as PG Calc to determine annuity rates.
5. FFMW must be 100% remainderman.

Bequests

1. The development staff shall encourage assets transferred through bequests that have immediate value or can be liquidated. Gifts that require more cost than benefit shall be discouraged or rejected.
2. Donors who have indicated they have made a bequest to FFMW may, depending on the individual situation, be asked to disclose, in writing or by copy of will, the relevant clause that benefits FFMW as evidence of their gift. This information is used for internal purposes, is not binding on the donor and will not be publicly disclosed without permission of the donor.
3. FFMW's objective will be to have any bequest qualify as a component fund of the foundation.

RETIREMENT FUNDS

The development staff shall encourage donors to name Foundation for MetroWest as beneficiary of their retirement plans, including Individual Retirement Accounts (IRAs) and qualified pension and profit sharing plans. The Foundation may be listed as a primary, secondary or contingent beneficiary. Such gifts will be recorded when they become irrevocable.

MISCELLANEOUS

Gifts not described above or gifts that place any unusual responsibilities or risks on FFMW will be discussed and require the approval of the Board of Trustees before accepting.