**Tinicum Conservancy**

**Gift Acceptance Policy Statement**

Approved 2/28/12 by BOT with additional language related to undesignated estate gifts approval by the BOT on 3/24/15

**Introduction**

Tinicum Conservancy (“the Conservancy”) is a private, not-for-profit entity organized under the laws of the Commonwealth of Pennsylvania. The Conservancy encourages the solicitation and acceptance of gifts that will help in the furtherance of its mission and to foster private or public financial support.

**Purpose of Policy**

The Board of Trustees, other volunteers and staff solicit current and deferred gifts from individuals, corporations, foundations and other private entities to secure the financial growth and fulfill the mission of the Conservancy. The purpose of this policy statement is to define the practices and policies governing the acceptance of gifts and to provide the guidance to prospective donors and their advisors when making gifts, so as to facilitate the gift-giving process.

**General Policy**

The Conservancy will accept unrestricted gifts and gifts for specific programs, projects and purposes, provided that such gifts are consistent with our stated mission and do not violate the terms of this policy statement. Gifts received must not inhibit the Conservancy from seeking similar or different gifts from other donors. No gift can be received which in anyway limits our ability to fulfill the obligations of the Conservancy’s mission or attempt to influence Conservancy policy, programs or any other aspect of our work.

**Gift Acceptance Committee**

It is recognized that certain gifts, including but not limited to those involving unusual funding arrangements, should not be routinely processed, but should be reviewed by the Fundraising Committee with a recommendation to the Board of Trustees, as described within this policy statement. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Trustees.

The types of gifts, which will be referred to the Fundraising Committee, include, but

are not limited to, the following:

* Gifts requiring unusual funding arrangements or other commitments.
* Gifts of non-publicly traded securities.
* Gifts of intangible or unusual personal property, including vessels or boats.
* Gifts of partnership interests and other non-traditional investments.
* Gifts of real estate as defined further in this policy statement.
* Certain annuity contracts and charitable annuity trusts as defined further in this

policy statement.

* Gifts with special restrictions that may be difficult or costly to administer.
* Any gifts that are exceptions to existing guidelines or which fall outside the

definition of acceptable gifts as defined by this policy statement.

**Donor Relations**

The interests of prospective donors shall be a primary consideration with respect to any

gift. Pressure techniques are not acceptable, and no program, agreement, trust or contract shall be presented which would benefit the Conservancy at the expense of the donors’ best interests and charitable motivations. All prospective donors will be advised to consult their own legal or financial counsel regarding the tax implications of a gift and matters related to estate planning.

All information obtained from or about donors by the Conservancy, its staff, volunteers and Board of Trustees shall be held in strictest confidence. The Conservancy uses donors’ information to understand donor interests in its mission and to update them on the organization’s plans and activities. We will respect donor wishes in regard to publication of information or other forms of recognition for gifts made. The Conservancy also assures donors that their names and addresses will not be shared with any third party.

The Conservancy Board of Trustees has adopted the Association of Fundraising Professionals’ Ethical Standards and Principals for Fundraising (see Appendix X) to protect donor’s privacy and right as well as the Conservancy’s integrity.

**Gift Designation** The donor has the right to designate a gift for specific purposes, and he or she should discuss the feasibility and practicality of intended restrictions with the Conservancy Executive Director. Particularly as planned gifts may not mature for many years, it is important for the Conservancy to be aware of and document a donor’s intentions for future implementation. The Board of Trustees must expressly approve any donor restrictions.

The first $10,000 of an undesignated planned gift will be used to fund current operations at the time they are realized. Any gift amount over the first $10,000 will be restricted by the Board as follows: 60% to the Stewardship and Easement Protection Fund; 30% to the Reserve Fund; and 10% for easement and land purchase. The Board of Trustees may choose to designate unrestricted planned gifts for other purposes, but only after review and discussion, followed by a unanimous vote of the Board of Trustees at a regularly held meeting.

**Current and Deferred Giving**

Current Giving – A current gift involves the irrevocable transfer of money or property

without receipt of consideration or economic benefit by the donor in return for making the gift. Such gifts are placed at the immediate disposal of the Conservancy and may be either restricted or unrestricted in purpose. Most types of property may be donated as current gifts, although gifts other than cash and publicly-traded securities must comply with the provisions and guidelines contained within this policy statement. Often the amount of a gift of cash or securities can be increased through a corporate matching program.

Deferred Giving – A deferred gift involves the irrevocable transfer of money or property. The donor generally retains either an income stream or the remainder interest. Current tax laws allow several planning alternatives for deferred gifts, although a donor will not receive charitable tax deductions unless the program selected complies with applicable requirements established by the Internal Revenue Code, or other laws or regulations which govern certain types of deferred gifts.

The Conservancy’s deferred giving program is referred to as the “Planned Giving Program.” All donors who participate in the Planned Giving Program will be eligible for membership in the Legacy Society. If the deferred gift is not designated

**Types of Acceptable Gifts**

The following types of gifts are acceptable to the Conservancy:

* Cash
* Tangible personal property
* Marketable and closely held securities
* Real estate
* Charitable bequests
* Retirement plan beneficiary designations
* Life estate agreements
* Life insurance beneficiary designations
* Life insurance policies
* Remainder interest in properties
* Bargain sales

**Section 1: Cash**

Cash is acceptable in the form of currency, money orders, checks or electronic transfer

(either through a wire transfer to the Conservancy’s bank account or by a verified credit card transaction). Checks should be made payable to: *Tinicum Conservancy*.

**Section 2: Gifts of Tangible Personal Property**

*Tangible personal property is property other than real property, such as objects of*

*art, antiques, coin or stamp collections, and motor vehicles.*

If the Conservancy intends to sell a gift of tangible personal property immediately rather than use it, the donor will be informed that IRS rules may limit the amount of the charitable deduction to the donor’s cost basis, and the donor will be advised to seek professional financial counsel on the tax consequence of such a donation. Receipt of tangible personal property does not obligate the Conservancy to retain the property in its donated form.

Acceptance of extraordinary gifts of tangible personal property estimated at more than $2,500 must be reviewed by the Fundraising Committee and approved by the Board of trustees after consider such factors as:

* Does the property further the mission and purpose of the Conservancy?
* Is the property marketable, or can it be used by the Conservancy in furtherance of its purposes and mission?
* Are there any restrictions on the use, display or sale of the property?
* Are there any carrying costs, possible adverse legal consequences, or potential liabilities associated with ownership of the property?

Bequests which include distribution of tangible personal property valued at more than $2,500 must be reviewed by the Fundraising Committee and approved by the Board of Trustees. Any title to gift property should be clear, unencumbered and properly documented as evidenced by a certificate or other generally acceptable legal document used for transfer of such tangible personal property.

It will be the responsibility of the donor or the donor’s estate to pay all costs related to the acceptance, maintenance, storage, transportation and sale of a gift of tangible personal property. Exceptions must receive prior review by the Fundraising committee and approval from the Board of Trustees.

Upon acceptance and as necessary, a Conservancy representative will advise the donor to comply with IRS Form 8283 reporting requirements for non-cash gifts. Acknowledgement by the

Conservancy will not represent concurrence in the appraised value of the donated property.

**Section 3: Gifts of Marketable and Closely Held Securities**

Marketable securities may be transferred electronically via DTC to the Conservancy’s account maintained at its brokerage firm and/or bank or delivered physically with the transferor’s signature or signed stock power attached. Donors will be asked to provide details of DTC transfers concurrent with the gift. In the case of physical delivery, the certificate or stock power must also have a medallion signature guarantee. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Conservancy’s Finance Committee.

Criteria for acceptance of securities that are not broadly or publicly traded shall include prior review to determine that:

* There are no restrictions on the security that would prevent the Conservancy from ultimately converting the security to cash.
* The security is marketable.
* The security will not generate undesirable tax consequences or other liabilities for the Conservancy.
* Closely held securities can be accepted, subject to prior review by the Fundraising Committee and approval of the Board of Trustees. A business evaluation including current financial statements, not more than one year old, from an acceptable source qualified to do closely held securities valuation must accompany the proposed gift.
* As appropriate, other transactions involving securities will be evaluated by the Fundraising Committee for review and recommendation to the Board of Trustees.
* Upon acceptance and as necessary, a Conservancy representative will advise the donor to comply with IRS Form 8283 reporting requirements for non-cash gifts. Acknowledgement by the Conservancy will not represent concurrence in the appraised value of the donated property.

**Section 4: Gifts of Real Estate**

*Gifts of real estate include developed property and undeveloped property, as well as*

*gifts subject to a prior life interest.*

All gifts of real estate are subject to recommendation by the Land Preservation and Fundraising Committees and approval by the Board of Trustees.

Criteria for acceptance of the property shall include but are not limited to:

* The property must be useful for the purposes of the Conservancy or the property must be marketable.
* If the Land Preservation Committee recommends that the property has significant conservation value, reflecting the conservation priorities of the Conservancy, then the Board of Trustees has the option to conserve the property and retain ownership; transfer the property to a qualified conservation organization; or sell the property with conservation restrictions and realize the proceeds of the sale.
* A preliminary title report must be submitted to initiate gift acceptance procedures.
* Restrictions, reservations, easements, or other associated limitations must be acceptable to the Conservancy.
* The property cannot have any outstanding insurance premiums, property taxes, mortgages, notes, or any other associated carrying costs.
* Prior to acceptance of real estate, all gifts will be reviewed, at the owner’s expense, for undisclosed contingent liabilities including, but not limited to, environmental contamination or toxic waste. For residential properties, a consultant will be retained at the option of the Conservancy to determine the need for an environmental review of the property. For commercial properties, the Conservancy will retain a qualified inspection firm to conduct a Phase I environmental audit. Generally, the cost of the Phase I environmental audit will be an expense of the donor.
* A certified appraisal by an appraiser with qualifications satisfactory to the Conservancy and a preliminary title report should be obtained, at the donor’s expense, to confirm value and ownership of the property. The certified appraisal will be used to establish the cost basis for the donated property.
* Further, if necessary or advisable, a survey will be obtained at the donor’s expense to affirm boundaries, easements, or access to the property. The donor will not place any terms or restrictions regarding the use or subsequent sale of the donated property.
* Generally, the Conservancy will not accept property that makes it a principal in a real estate partnership, joint venture, or business activity.

Any exceptions to this policy can be made by the recommendation of the Fundraising Committee and the approval of the Board of Trustees. Upon acceptance and as necessary, a Conservancy representative will advise the donor to comply with IRS Form 8283 reporting requirements for non-cash gifts. Acknowledgement by the Conservancy will not represent concurrence in the appraised value of the donated property.

The Conservancy will seek to sell donated real estate as soon as practicable that is not intended to be used as part of its mission.

**Section 5: Charitable Bequests**

Representatives of the Conservancy will not prepare wills, codicils, trust documents or trust amendments for donors. With the exception of family members, a Conservancy staff member will not serve in any capacity under the terms of a donor’s will or trust including attorney-in-fact, executor or trustee. Probate court documents such as notices, inventories, releases, waivers and

accountings will be reviewed and executed as necessary by a duly authorized representative of the Conservancy.

The Conservancy will not accept any bequests which contain restrictions or conditions placed upon the Conservancy. Exceptions to this policy can be made by the Conservancy’s Board of Trustees.

When the Conservancy receives notice of a charitable bequest, a Conservancy representative will monitor the distribution from the estate or trust to assure fulfillment of the donor’s wishes. The

Conservancy representative will also maintain contact with appropriate family members for acknowledgment and recognition. Absent other family members, all gift receipts will be directed to the legal representative of the donor’s estate or the trustee of the donor’s trust.

**Section 6: Retirement Plan Beneficiary Designation**

Representatives of the Conservancy will request from the donor a copy of the beneficiary designation filed with their retirement plan. The value of the gift resulting from a retirement plan beneficiary designation will be established on the date of the distribution from the plan.

**Section 7: Life Estate Agreements**

*A donor or couple may give their residence (home or condominium), farm or other types of real estate to the Tinicum Conservancy, while retaining the right to live in the home/farm for one or both lives. A current year income tax deduction may be available, calculated upon the age(s) of the donor(s).*

* The suggested minimum value for gifts with a retained life estate is $100,000.
* All normal review and gift acceptance procedures for outright gifts of real estate

are applicable to gifts of real estate with a retained life estate. [see Section 4]

* A gift with a retained life estate requires the acceptable documentation evidencing the transfer of title to the Conservancy and a reservation of a life estate to the donor or his or her designees.
* Expenses of deed preparation and property appraisal are the responsibility of the donor.
* Unless otherwise agreed, it is the responsibility of the donor or his or her designees to maintain the property, including but not limited to, assumption of the costs for repairs, taxes, insurance, utilities, assessments, management fees and other reasonable and customary expenses throughout the term of the life estate.
* The Conservancy will require a letter stipulating how these financial obligations will be met should the occupant(s) become incapacitated.

**Section 8: Life insurance gifts**

* The Conservancy does not endorse any insurance carrier, product, agency or individual agent, nor will it provide donor lists to such carriers or agents.
* The donor must have the authority to transfer ownership of the policy.
* The Conservancy will not participate in programs of shared ownership of insurance policies without prior approval from the Board of Trustees.
* The Conservancy must be named as both beneficiary and irrevocable owner before the life insurance policy can be recorded as a gift. The gift value is the cash surrender value at the time the Conservancy takes ownership of the policy. If the donor contributes future premium payments, the Conservancy will receipt the payment amount as a gift in the year it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the insurance policy, the Board of Trustees at its sole discretion may:

1. Continue to pay the premiums.
2. Convert the policy to paid up insurance.
3. Surrender the policy for its current cash value.
4. Sell the policy.

**Section 9: Gifts-in-Kind**

A gift-in-kind is an item such as equipment, software or a product that a donor voluntarily transfers to the Conservancy without charge or consideration. Only the executive director and board of trustees have the authority to accept gifts-in-kind.

Once accepted, the donated item(s) become the property of the Conservancy, which retains the right to dispose of a gift-in-kind as it sees fit, unless another arrangement has been made with the donor.

***If you would like to discuss any of these options for supporting the Tinicum Conservancy, please contact Jim Engel, Executive Director at 610-294-1077.***