

Alabama School of Mathematics and Science Foundation

GIFT ACCEPTANCE POLICY

PURPOSE

This policy serves as a guideline to members of The Alabama School of Mathematics and Science Foundation (ASMSF) staff and Board, outside advisors who assist in the gift planning process, and to prospective donors who wish to make gifts to ASMSF. The Board of Directors or its Executive or Finance Committee reviews for final acceptance each new gift other than cash or publicly traded securities. The Board Chair or Finance Committee Chair will be contacted upon receipt of intent to contribute an asset other than cash or publicly traded securities for pre-acceptance by ASMSF. Final approval of gift acceptance rests with the Board of Directors.

ASMSF RESPONSIBILITIES

ASMSF will assure adherence to the terms of the gift in accordance with the donor's wishes. Gifts that fall within the charitable purpose and mission of ASMSF will be accepted. The role of the staff shall be to inform, guide, and assist donors in fulfilling their giving wishes. ASMSF staff will not provide legal or tax advice and will encourage donors to consult with professional advisors in making decisions, especially with estate or planned gifts. Accepted gifts are acknowledged in writing, in a timely fashion.

For non-cash charitable gifts, IRS Form 8283 may be required and compliance with all IRS regulations shall be followed as applicable. ASMSF is required to file Form 8282 if it sells or disposes of an asset for which it signed Form 8283 within three years of receipt.

GIFT TYPES

CASH

All gifts by check, cash, or credit card will be accepted by ASMSF.

Checks should be made payable to ASMSF. In no event shall a check be made payable to an individual who represents ASMSF.

PUBLICLY TRADED SECURITIES

1. Readily marketable securities, such as those traded on a stock exchange, will be accepted by ASMSF.
2. Gifted securities will be sold and liquidated immediately.
3. If the donor requests that securities be held and not sold, a letter is required from the donor documenting the request to hold securities. ASMSF's Finance Committee will review the request. If approved, retention of the securities shall continue to be at the discretion of the Finance Committee.
4. ASMSF will record value on the day the securities were transferred to ASMSF. ASMSF will provide the donor with the average high and low on the date ASMSF received the securities. The donor and his/her tax advisor have the responsibility to determine the value of the gift for the donor's tax purposes.

REAL ESTATE

1. Gifts of real estate, or interest therein, require review by the Board due to legal requirements of transfer, insurance, condition of the property, mortgages, easements, environmental issues, taxes, and expenses incurred in the maintenance and ownership of the property.
2. The donor will be responsible for all expenses incurred, and a contribution of additional amounts if necessary to equal any additional expenses incurred by ASMSF in the ownership of the property.
3. Acceptance of all gifts of real property require a certified appraisal. The donor will be responsible for the cost of the appraisal; the appraiser will be approved by ASMSF.
4. An owner's guarantee of title and title insurance policy for the full appraised value of the real property is required along with the real estate deed. Any known or suspected environmental issues should be disclosed.
5. An updated environmental assessment will be required and paid for by the donor to determine that no surface or subsurface contamination or other environmental liabilities or issues exist. If such issues exist ASMSF will consider accepting property on a case-by-case basis.
6. ASMSF will record the gift value as the certified 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.
7. It will be determined by the ASMSF Board if the property should be deeded in the name of the ASMSF LLC.

LIFE INSURANCE

1. ASMSF will accept gifts of paid up life insurance policies if ASMSF is named as the owner and beneficiary of 100% of the policy.
2. ASMSF will record the gift value as the policy's replacement cost.
3. If the policy is not fully paid ASMSF may accept and cash it in for its current surrender value, use a life settlement transaction, or ask the donor to continue to pay the premium. If the donor contributes future premium payments, ASMSF will recognize the entire amount of the additional premium payments as a gift in the year it is paid.
4. ASMSF will record the gift value of a partially paid policy as the policy's cash surrender value.

CLOSELY HELD SECURITIES

1. Non-publicly traded securities may be considered after consultation with ASMSF's Finance Committee, and/or legal counsel.
2. Prior to acceptance, methods of liquidation of the securities will be explored through redemption or sale. The closely held corporation will be contacted to determine an estimate of fair market value, any restrictions on transfer, and any recent sales.
3. If an appraisal is necessary, the donor will be responsible for the cost of the appraisal. The appraiser will be approved by ASMSF.

~~OTHER NON-CASH GIFTS~~

~~Non-cash gifts such as artwork, furniture, jewelry, equipment, collections, etc. shall be reviewed on a case-by-case basis and will require approval of the Board. The donor must agree that, once donated, the property may be sold at the sole discretion of ASMSF, unless ASMSF finds a use for it related to its charitable purpose. A qualified independent appraisal must be done to determine the gift's value. The donor will be responsible for the cost of the appraisal.~~

AMENDMENT – APPROVED - 2/11/22

OTHER NON-CASH GIFTS

Non-cash gifts such as artwork, furniture, jewelry, equipment, collections, etc. valued at less than \$500 shall be reviewed on a case-by-case basis by the School's President, Vice President of Development, and/or Director of Finance. The donor must agree that, once donated, the property may be sold at the sole discretion of ASMSF, unless ASMSF finds a use for it related to its charitable purpose.

Non-cash gifts such as artwork, furniture, jewelry, equipment, collections, etc. valued at more than \$500 (or more than the IRS minimal appraisal requirement for donations, whichever is greater) shall be reviewed on a case-by-case basis and will require approval of the ASMS Foundation Board. The donor must agree that, once donated, the property may be sold at the sole discretion of ASMSF, unless ASMSF finds a use for it related to its charitable purpose. A qualified independent appraisal must be done to determine the gift's value. The donor will be responsible for the cost of the appraisal.

INTERESTS IN BUSINESS ENTITIES (i.e. closely-held companies or partnerships)

Gifts of this nature are considered on a case-by-case basis and can be very complex. For each gift considered, ASMSF will seek legal counsel to assure compliance.

DEFERRED GIFTS & PLANNED GIVING

These are gifts whose benefit does not fully accrue to ASMSF until some future time, or whose benefits are split with non-charitable beneficiaries. These gifts can come through wills, gift annuities, or charitable trusts.

1. **Bequests** – ASMSF accepts bequests from donors who have directed in their wills that certain assets be transferred to ASMSF and honors the wishes of the donor as expressed, but reserves the right of refusal as necessary and appropriate. ASMSF will not serve as Executor for a donor in his/her will.
2. **Charitable Trusts** – Trusts can be set up during the donor's lifetime or by will. ASMSF encourages donors to consult their own legal counsel and tax advisors to create a charitable remainder trust or charitable lead trust. ASMSF will work closely with the donor to ensure philanthropic wishes, but will not serve as trustee.

CONFIDENTIALITY

All gift values and personal information about donors and prospects shall be held in strict confidence by ASMSF. Gift amounts shall be revealed to the Board of Directors as appropriate for governance and financial administration in conjunction with fiduciary responsibilities. Information on donors wishing to remain anonymous will be restricted to only those staff members with a need to know.