

**MARION INDEPENDENT SCHOOL FOUNDATION & ALUMNI ASSOCIATION
GIFT ACCEPTANCE POLICY**

**ARTICLE ONE
INTRODUCTORY PROVISIONS**

- 1.1 Marion Independent School Foundation & Alumni Association solicits and accepts gifts for purposes that will help the organization further and fulfill its mission.
- 1.2 Marion Independent School Foundation & Alumni Association 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.
- 1.3 The following policies and guidelines govern the acceptance of gifts made to Marion Independent School Foundation & Alumni Association for the benefit of any of its operations, programs, or services.

**ARTICLE TWO
GIFTS GENERALLY ACCEPTED WITHOUT REVIEW**

- 2.1 While Marion Independent School Foundation & Alumni Association, as a 501(c)(3), reserves the right to review gifts from all donors, as may be required by federal or state law, certain types of gifts are generally accepted without review, as follows.

- 2.2 *Gifts Generally Accepted Without Review—*

- (A) *Cash.*

Cash gifts are acceptable in any form, including by check, money order, credit card, wire transfer, or on-line.

- (B) *Marketable Securities.*

- (1) Marketable securities may be transferred electronically to an account maintained at the Foundation's brokerage firm or delivered physically with the transferor's endorsement attached.

- (2) All marketable securities will be sold promptly upon receipt unless otherwise directed by Marion Independent School Foundation & Alumni Association's Investment Committee.

- (3) 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 Finance Committee.

- (C) *Bequests and Beneficiary Designations under Revocable Trusts, Commercial Annuities, and Retirement Plans.*

Donors are encouraged to make bequests to Marion Independent School

Foundation & Alumni Association under their wills, and to name Marion Independent School Foundation & Alumni Association as the beneficiary under trusts, commercial annuities, and retirement plans

ARTICLE THREE
GIFTS ACCEPTED SUBJECT TO PRIOR REVIEW

- 3.1 *Gifts Accepted Subject to Prior Review*—Certain forms of gifts or donated properties are accepted, but are subject to review prior to acceptance.
- 3.2 Examples of gifts subject to prior review include, but are not limited to:
- (A) *Charitable Remainder Trusts.* Marion Independent School Foundation & Alumni Association may accept designation as a remainder beneficiary of charitable remainder trusts.
 - (B) *Charitable Lead Trusts.* Marion Independent School Foundation & Alumni Association may accept designation as an income beneficiary of charitable lead trusts.
 - (C) *Tangible Personal Property.* The Finance Committee shall review and determine whether to accept any gifts of tangible personal property, including works of art, depending on a variety of factors, including but not limited to:
 - (1) Does the property further the organization’s mission?
 - (2) Is the property marketable?
 - (3) Are there any unacceptable restrictions imposed on the property?
 - (4) Are there any carrying costs for the property for which the organization may be responsible?
 - (5) Is the title/provenance of the property clear?
- 3.3 *Life Insurance.* Marion Independent School Foundation & Alumni Association may accept gifts of life insurance where Marion Independent School Foundation & Alumni Association 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.
- 3.4 *Real Estate.* All gifts of real estate are subject to review by the Finance Committee.
- (1) Marion Independent School Foundation & Alumni Association shall require an initial environmental review by a qualified environmental firm. If the review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit.
 - (2) Criteria for acceptance of gifts of real estate also include:

- (a) Is the property useful for the organization's purposes?
- (b) Is the property readily marketable?
- (c) Are there covenants, conditions, restrictions, reservations, easements, encumbrances, or other limitations associated with the property?
- (d) Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
- (e) Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

**ARTICLE FOUR
REVIEW BY LEGAL COUNSEL**

4.1 Marion Independent School Foundation & Alumni Association will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate.

4.2 Review by legal counsel is recommended for:

- (1) Gifts of securities that are subject to restrictions or buy-sell agreements.
- (2) Documents naming Marion Independent School Foundation & Alumni Association as trustee or requiring Marion Independent School Foundation & Alumni Association to act in any fiduciary capacity.
- (3) Gifts requiring Marion Independent School Foundation & Alumni Association to assume financial or other obligations.
- (4) Transactions with potential conflicts of interest.
- (5) Gifts of real estate, which may be subject to environmental or other regulatory restrictions.

**ARTICLE FIVE
RESTRICTIONS ON GIFTS**

5.1 Marion Independent School Foundation & Alumni Association will not accept gifts that in the sole discretion of the Board of Directors:

(as) would result in Marion Independent School Foundation & Alumni Association violating its corporate charter;

(b) would result in Marion Independent School Foundation & Alumni Association losing its status as an IRS 501(c)(3) not-for-profit organization;

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- (c) are too difficult or too expensive to administer in relation to their value,
- (d) would result in any unacceptable consequences for Marion Independent School Foundation & Alumni Association, and/or
- (e) are for purposes outside Marion Independent School Foundation & Alumni Association's mission.

5.2 Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made in the sole discretion of the Board of Directors, following review by the Finance Committee, in consultation with the Executive Director.

ARTICLE SIX RESTRICTIONS ON GIFTS

- 6.1 It is the general policy of Marion Independent School Foundation & Alumni Association to liquidate, i.e., sell, any noncash gift.
- 6.2 Due to federal and state law, the donor, once having donated a noncash gift, retains no further rights to the property.
- 6.3 Also, per federal and state law, the donor, once having donated a noncash gift, cannot be involved in setting price, negotiating, marketing, or finding buyer(s) for the property.

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