

STATEMENT OF INTENT

As a 501(c)(3) nonprofit corporation that assembles collection materials for patron use and accepts both monetary and material (tangible) gifts to help achieve its mission, the Casco Public Library (“CPL” or “Library”) adopts this Gift Acceptance Policy to describe the Board’s rules and guidelines for the acceptance of gifts, as well as to provide guidance to donors and their professional advisors in planning for and completing gifts.

USE OF PROFESSIONAL ADVISORS and CONFLICT OF INTEREST

It is the responsibility of prospective donors to understand the tax and estate planning consequences of their donations or bequests. All prospective donors are urged to seek counsel and guidance from personal, legal and/or financial advisors in matters relating to their gifts as appropriate.

As opposing parties in any proposed gift transaction, CPL as grantee and the prospective donor as grantor have inherently conflicting interests. Therefore, CPL cannot provide the donor with any legal or financial guidance concerning a proposed gift transaction.

If the CPL Board of Trustees (“Board”) decides to engage outside counsel as part of its fiduciary role to protect the Library’s best interests, it will do so at its own expense.

GENERAL TERMS AND CONDITIONS

1. Monetary Gifts.

The CPL encourages all prospective donors to make their gifts without restrictions. Monetary gifts, bequests, and memorial or honorary contributions without donor restrictions are particularly welcome. The donor, however, has the right to designate a gift as restricted, that is, for specific purposes, and he or she is advised to discuss the intended restrictions with the Library Director or Board President ahead of time.

2. Gifts of Tangible Property

The Library may also accept gifts of tangible property. Gifts that are not in good condition, those not in the best interest of the Library, or those that are counter to or beyond the scope of CPL’s mission and purpose will be turned down.

Gifts of materials that are accepted by the library become absolute and unconditional property of the library, unless there is a written agreement between the Library and the donor stating otherwise. Once the Library takes possession of an item, the Library is free to make all decisions in accordance with established policies and procedures with respect to the retention, storage, processing, use, and disposition of that item.

TYPES OF GIFTS GENERALLY ACCEPTED WITHOUT REVIEW

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Unrestricted gifts of the following types are generally accepted without review:

1. *Cash*
Cash is acceptable in any form. Checks should be made payable to the Casco Public Library.
2. *Marketable Securities*
Donations of marketable securities (and other readily marketable assets) will be sold upon receipt unless otherwise directed by the Board of Trustees. 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 will be made by the Board of Trustees.
3. *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans*
Donors are encouraged to make unrestricted bequests to CPL in their wills, and to name the Library as beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

Whenever there is any question about the acceptability of a gift, whether a monetary gift or a gift of tangible property, the Board shall make the final determination.

TYPES OF GIFTS SUBJECT TO PRIOR REVIEW

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to review include, but are not limited to:

1. *Restricted Monetary Donations*
The Library Director, after discussion with the Donor when possible, and in consultation with the Treasurer, shall review and determine acceptance of any restricted gift up to \$750 in value. Consideration will be given to the following:
 - a. Is the gift in keeping with the mission and priorities of the library as laid out in the current or upcoming budget?
 - b. Can the gift be used for already budgeted (typical?) expenditures? Or can it only be used above and beyond what is already planned for?
 - c. Will trying to meet the restrictions of the gift negatively affect other budget priorities of the Library?
 - d. Can the gift be fully used in the next 12 months?
 - e. Will the restrictions make the gift difficult to track?

When the gift exceeds \$750 in value, or when requested by either the Library Director or the Treasurer, the Board shall review the request to determine the acceptability of the gift, using the above considerations, as well as any other it deems useful.

Grants that we apply for and receive are typically restricted monetary gifts, but are not subject to this policy unless the restrictions are other than what was understood by the Library at the time of application.

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2. *Tangible Personal Property with a Fair Market Value (FMV) of \$500 or less*

The Library Director shall review and determine whether to accept any gifts of tangible personal property according to the Materials Selection Policy, any procedures and guidelines established by staff, and the following considerations:

- a. Does the property further CPL’s mission?
- b. Is the property marketable?
- c. Are there any unacceptable restrictions imposed on the property?
- d. Are there any carrying costs for the property for which the library may be responsible?

3. *Tangible Personal Property Valued at more than \$500*

The Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- a. Does the property further CPL’s mission?
- b. Is the property marketable?
- c. Are there any unacceptable restrictions imposed on the property?
- d. Are there any carrying costs for the property for which the library may be responsible?
- e. Is the Library willing to sign IRS Form 8283 for the transaction? Is it willing and able to execute IRS Form 8282 if required?

4. *Real Estate*

All gifts of real estate shall be reviewed in advance by the Board of Trustees. Prior to acceptance of any gift of real estate, the Library shall obtain qualified inspections of the property, such as environmental, physical, and financial inspections. Criteria for acceptance of gifts of real estate include:

- a. Is the property useful for the library’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 indicate that the property is damaged or otherwise requires remediation? If so, and the Library still wishes to pursue the gift, then it will retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit will generally be an expense of the donor.
- f. If appropriate, a title binder will be required by CPL prior to the acceptance of the real property. The cost of the title binder will generally be the responsibility of the donor.

5. *Other Types of Gifts*

All other types of gifts shall be reviewed by the Board. The Board shall use the criteria in other parts of this Policy, as well as any other criteria they choose, to determine the acceptability of any gift, and their decision is final. The Board shall use legal, tax, accounting and other professional services whenever necessary.

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OTHER CONSIDERATIONS

1. *Valuation of gifts*

For cash and other readily marketable assets CPL shall use the value of the gift on the date it is received by the Library as the value that it records and credits on its books.

2. *Definition of Marketable Assets*

Marketable assets are securities or other products that are publicly or regularly traded, have frequently updated price quotations available, and could actually be sold at or near the quoted price.

3. *Responsibility for IRS filings*

The Treasurer of the Library is responsible for signing and filing, if necessary, any and all IRS forms.

- *IRS Form 8283 and Instructions.* This form must be filed by the donor and signed by the receiving charity when donated property valued greater than \$500 is involved.

- *IRS Form 8282 and Instructions.* This form must be filed by the charity upon the sale or disposition (within three years of receipt) of non-marketable gifts with a value greater than \$5,000 upon receipt.

4. *Acknowledgement of gifts*

Gifts received and accepted by the CPL shall be acknowledged by the Board or as instructed by the Board.

5. *Securing appraisals and legal fees for gifts*

It shall be the responsibility of the donor to secure and pay for an appraisal where required and independent legal counsel when appropriate for all gifts made to CPL. In instances in which CPL decides to request an independent appraisal, CPL is responsible for that fee.

6. *In any situation in which the stipulations of a different library policy may conflict with this policy, the matter shall be resolved by the Board.*

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