



## *Gift Acceptance Policy*

**6.12.2019**

**The Oakland Literacy Council** solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. The Oakland Literacy Council urges all prospective donors to seek the assistance of personal legal and financial professionals in matters relating to their gifts, including the resulting tax and estate planning consequences.

This Gift Acceptance Policy does not apply to grants received by The Oakland Literacy Council that are governed by grant contracts from the funding agency.

The following policies and guidelines govern acceptance of gifts made to The Oakland Literacy Council for the benefit of any of its operations, programs, or services. Under this policy, all gifts that come before The Oakland Literacy Council for review will be reviewed by the Board of Directors.

### **1. Gifts Generally Accepted Without Review**

- a) **Cash** – Cash gifts are acceptable in any form, including check, money order, credit card, or online. Donors wishing to make a gift by credit card must provide the card type (Visa, MasterCard), card number, expiration date, three digit security code, and the name of the card holder as it appears on the credit card.
- b) **Marketable Securities** – Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by Oakland Literacy Council's Investment Committee. If the marketable securities are restricted by securities law or by the terms of the proposed gift, then refer to section 2.
- c) **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans** – Donors are encouraged to make bequests to The Oakland Literacy Council under their wills and to name The Oakland Literacy Council as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- d) **Charitable Remainder Trusts** – The Oakland Literacy Council will accept designations as a remainder beneficiary of charitable remainder trusts.
- e) **Charitable Lead Trusts** – The Oakland Literacy Council will accept designations as an income beneficiary of charitable lead trusts.

### **2. Gifts Accepted Subject to Review**

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

Examples of gifts subject to review include but are not limited to the following:

- a) **Tangible Personal Property (Generally)**– review and determination whether to accept any gifts of tangible personal property will be given the following considerations:

1. does the property further the organization's mission?
  2. is the property marketable?
  3. are there any carrying costs for the property for which The Oakland Literacy Council would be responsible?
  4. are there any unacceptable restrictions imposed on the property?
  5. is the title of the property clear?
- b) **Life Insurance Policy** – The Oakland Literacy Council will accept gifts of a life insurance policy where The Oakland Literacy Council is named 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.
- c) **Real Estate** – All gifts of real estate are subject to review. Prior to acceptance of any gift or real estate other than a personal residence, The Oakland Literacy Council shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include the following:
1. is the property useful for the organization's purposes?
  2. is the property readily marketable?
  3. are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property?
  4. are there carrying costs or maintenance expenses associated with the property?
  5. Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?
- d) **Restricted Marketable Securities** – any gifts of restricted marketable securities are subject to review.
3. Use of Legal Counsel
- The Oakland Literacy Council will consult with legal counsel in matters relating to the acceptance of gifts when appropriate; however, review by counsel is recommended for the following:
- a) gifts of securities that are subject to restrictions or buy-sell agreements
  - b) documents naming The Oakland Literacy Council as trustee or requiring The Oakland Literacy Council to act in any fiduciary capacity
  - c) gifts requiring The Oakland Literacy Council to assume financial or other obligations
  - d) transactions with potential conflicts of interest
  - e) gifts of property which may be subject to environmental or other regulatory restrictions
4. Restrictions on Gifts
- The Oakland Literacy Council will **not** accept gifts that
- a) would result in The Oakland Literacy Council violating its corporate charter;
  - b) would result in The Oakland Literacy Council losing its IRS section 501(c)(3) status;
  - c) are too difficult or too expensive to administer in relation to their value;
  - d) would result in any unacceptable consequences for The Oakland Literacy Council;
  - e) are for purposes outside The Oakland Literacy Council's mission.

ADOPTED June 12, 2019