PURPOSE
This policy serves as a guideline to members of the Foundation for MetroWest (FFMW) staff involved with accepting gifts, outside advisors who assist in the gift planning process and prospective donors who wish to make gifts to FFMW.

The goal of this Policy is to encourage gifts to FFMW that do not generate more cost than benefit, or are restricted in a manner not keeping with the mission of FFMW.

RESERVATION OF RIGHTS
FFMW reserves the right not to accept certain gifts, including gifts that are too restrictive or inappropriately restrictive, gifts that are too difficult or costly to administer, gifts that are for purposes outside FFMW’s mission, gifts from which FFMW will realize little or no gain, or gifts with restrictions that violate FFMW’s ethical standards or require illegal discrimination.

FFMW also reserves the right to sell or otherwise dispose of gifts and will make reasonable efforts to consult with the donors prior to such disposition.

ADMINISTRATIVE RESPONSIBILITY
Overall responsibility for assuring compliance with the requirements of this Policy is assigned to the Executive Director. In appropriate situations, the Executive Director will consult with the Gift Acceptance Committee.

The Executive Director will refer to the Gift Acceptance Committee, before acceptance, gifts that are given with unusual restrictions or designations, have the potential of jeopardizing the tax-exempt status of the Foundation or violating the foundation’s policies, bylaws or rules, or local, state or federal laws or regulations, including but not limited to the requirements of the Pension Protection Act of 2006.

GIFT ACCEPTANCE COMMITTEE
The Committee shall serve on an ad hoc basis in the circumstances described in this Policy. The Committee shall be comprised of the members of FFMW’s Executive Committee.

APPRAISALS
Legal and ethical requirements preclude FFMW from appraising gifts. Appraisals if required by law or particular circumstances are to be conducted by appraisers independent from both the donors and FFMW. The cost of such appraisals will be the donor’s responsibility.

Proposed gifts of property and gifts-in-kind must be evaluated to determine whether the cost to FFMW associated with receiving the gift can be accommodated prudently. The authority and responsibility for prompt, careful evaluation of such costs shall rest with the Executive Director, who shall bring the gift proposal to the Gift Acceptance Committee for review and decision.

GIFT ACKNOWLEDGEMENTS
All donors are to be sent gift acknowledgement letters and receipts within a reasonable interval.
Funds
The Foundation offers several different types of funds. These include:

- **Unrestricted Funds.** Gifts to these funds help FFMW do the work necessary to support our mission in the community.

- **Field of Interest Funds.** Field of Interest funds support a charitable purpose designated by the fund’s donor or donors.

- **Designated Funds.** These funds support a charitable organization designated by the fund’s donor or donors.

- **Agency Endowments.** Agency Endowment funds are created by charitable organizations that designate themselves as the fund’s beneficiary. Distributions generally are determined by applying FFMW’s spending policy to the assets held in the fund.

- **Donor Advised Funds.** Donors recommend grants to charitable organizations.

Gift Agreements
The FFMW Executive Director will have the authority to handle inquiries, negotiate with donors, assemble documentation, retain expert and technical consultants, and execute agreements on FFMW’s behalf.

Before accepting a gift to establish a new fund, the Executive Director on behalf of FFMW and the donor shall sign a Fund Agreement. This agreement will include information about the origin of the gift, the purpose of the fund, additions to the fund, succession advisors and FFMW’s variance power.

Subject to the policies set forward in this document, FFMW may accept gifts to existing funds of any size. The minimum gift for a new fund is $10,000.

Investment of Gifts
FFMW reserves the right to make any or all investment decisions regarding gifts to it in accordance with its Investment Policy, as amended from time to time. In making a gift to FFMW, the donor gives up all rights, title and interest to the assets contributed. In particular the donor relinquishes the right to choose investments or investment managers, brokers, or to veto investment choices for the contributed assets.

When the size of an endowed fund ($500,000 and upwards) warrants separate investment consideration, and when otherwise permitted by law, FFMW will endeavor to accommodate requests from donors for separate investment of fund assets, or use a particular investment manager, broker or agent and may consult with donors on investment options for such funds.

Types of Gifts
**Cash**
1. All gifts in the form of cash, credit card contributions and checks shall be accepted by FFMW regardless of amount, unless there is a question as to whether FFMW’s reputation would be adversely affected, or the donor has sufficient title to the assets or is mentally competent to legally transfer funds.
2. Checks shall be made payable to “Foundation for MetroWest”. In no event shall a check be made payable to an employee, agent or volunteer who represents FFMW.
3. Credit card gifts are reported on the day the credit card gift is received or postmarked. Credit card gifts shall be acknowledged at the gross amount of the donation.
Pledges
Multi-year pledges may be payable in single or multiple installments and must have a value of at least $1,000. The pledges may not exceed 5 years in duration. All donors must complete a pledge form or confirm the pledge in writing that contains the following information:
1. The amount of the pledge
2. A clearly defined schedule of payment
3. No contingencies or conditions
4. The donor must be considered financially capable of making the gift

Publicly Traded Securities
1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by FFMW.
2. Gifted securities will be sold immediately.
3. FFMW will record value of gift as the amount of cash received from the sale.
4. FFMW will provide the donor with the average of the high and low values on the date the securities are sold. The donor and his/her tax advisor have the responsibility to determine the value of the gift for the donor’s tax purposes.

Closely Held Securities
1. Non-publicly traded securities, including debt and equity positions in non-publicly traded companies, limited partnership interests, shares of limited liability companies, of restricted stock and of S-corporations may be accepted after consultation and approval of the Executive Director or Treasurer.
2. Prior to acceptance, FFMW will review for restrictions, marketability and potentially undesirable tax consequences such as unrelated business income and methods of liquidation for the securities through redemption or sale.
3. No closely-held securities will be accepted until an independent appraisal has been conducted as to value. The donor will assume responsibility for any costs or fees for the appraisal. The appraiser shall be selected or approved by FFMW.
4. No commitment for repurchase of the closely held securities shall be made by FFMW.

Donor Advised Fund – Excess Business Holdings
The IRS Pension Protection Act of 2006 limits ownership of closely-held business interests in a donor advised fund. A fund’s holdings, together with the holdings of disqualified persons (donor, advisor, members of their families and business they control) may not exceed any of the following:
   - 20% of voting stock of an incorporated business;
   - 20% of the profits of a partnership, joint venture, or the beneficial interest in a trust or similar entity;
   - Any interest in a sole proprietorship

Real Estate
1. Gifts of real estate must be reviewed by the Gift Acceptance Committee before acceptance.
2. Due to the expenses associated with a gift of real estate, only gifts valued in excess of $100,000 will be accepted.
3. Contributions of commercial, residential, industrial, rental or agricultural real estate, including cooperatives and condominiums may be accepted if the property is unencumbered by a mortgage or similar lien or restrictions. No gift of real estate will be accepted where violations of state, local or federal law exist on the property, where unrecorded rights of way, easements or encumbrances are attached to the property, or where there are any restrictions on the title to property.
4. The donor is responsible for obtaining an independent appraisal of the property. The cost and fees related to the appraisal shall be the responsibility of the donor.

5. FFMW must conduct a visual inspection of the property.

6. The donor must provide the following documents:
   a. Real estate deed
   b. Real estate tax bill
   c. Plot plan
   d. Substantiation of zoning status
   e. Any known or suspected environmental concerns

7. All gifts of real estate must be evaluated for possible environmental problems. The Gift Acceptance Committee may require an environmental audit of the property. The donor shall bear the cost of any required audit and the cost of any environmental cleanup. Transfer to FFMW will not be accepted until documentation of remediation has been provided by state, local and federal environmental authorities.

8. A donor may designate FFMW as the income beneficiary of any income producing property. Donor and FFMW must enter into a written agreement which sets forth the terms and conditions of donor’s assignment of interest in the income of such property. Prior approval must be made by the Gift Acceptance Committee.

9. If the donor is giving a retained life estate gift, the donor shall agree in writing prior to acceptance that the donor will pay for all or part of the following during the donor’s lifetime:
   a. Maintenance costs
   b. Real estate taxes
   c. Insurance
   d. Real estate brokers commission and other costs of sale

10. FFMW will record the value of the gift as the 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. FFMW can choose to exclude from the value of the gift: costs for the maintenance, insurance, real estate taxes, broker’s commission and other expenses of sale.

**Life Insurance**

1. FFMW will accept life insurance policies as gifts only when FFMW is named as the owner and beneficiary of 100% of the policy.

2. FFMW prefers policies that are fully paid

3. If the policy is a paid-up policy, the value of the gift for gift crediting and accounting purposes is the policy’s replacement cost.

4. All partially paid policies must be approved by the Executive Director or Treasurer prior to gifting.

5. If the policy is partially paid-up, the value of the gift for crediting and accounting purposes is the policy’s cash surrender value on the day that the gift is transaction is complete. (For IRS purposes, the donor’s charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value.)

**Tangible Personal Property**

1. Gifts of tangible personal property should have a use related to FFMW’s exempt purpose.

2. Gifts of jewelry, artwork, collections, equipment, etc. may be accepted after review by the Gift Acceptance Committee.

3. Such gifts of personal property defined above shall be used or sold for the benefit of FFMW.

4. Depending upon the anticipated value of the gift, a qualified outside appraiser shall value the gift before it is accepted. The donor is responsible for the cost or fees associated with the gift appraisal.
FFMW adheres to all IRS requirements related to disposing gifts of tangible personal property and filing appropriate forms.

**Intellectual Property**
Other property including copyrights and royalties will be accepted only upon evaluation and approval of the Gift Acceptance Committee, after inquiry into the nature of the property and whether it is in keeping with FFMW’s charitable mission.

**PLANNED GIFTS**
FFMW offers the following planned gift options when FFMW is a beneficiary or remainderman:
- Charitable gift annuities
- Deferred gift annuities
- Bequests

**Charitable Gift Annuities**
1. Administrative fees shall be paid from the income earned on the charitable gift annuity.
2. Gift annuities will be accepted for a single life, two lives in succession, or joint and survivor annuity agreements.
3. The minimum gift accepted to establish a charitable gift annuity is $100,000.
4. FFMW will use the payout rate schedule suggested by the American Council on Gift Annuities to determine rates.
5. FFMW must be 100% remainderman.

**Deferred Gift Annuities**
1. Administrative fees shall be paid from the income earned on the deferred annuity.
2. Deferred payment gift annuities will be accepted for a single life, two lives in succession, or joint and survivor annuity agreements.
3. The minimum gift accepted to establish a deferred gift annuity is $100,000.
4. FFMW will use the payout rate schedule suggested by the American Council on Gift Annuities to determine rates.
5. FFMW must be 100% remainderman.

**Bequests**
1. The development staff shall encourage assets transferred through bequests that have immediate value or can be liquidated. Gifts that require more cost than benefit shall be discouraged or rejected.
2. Donors who have indicated they have made a bequest to FFMW may, depending on the individual situation, be asked to disclose, in writing or by copy of will, the relevant clause that benefits FFMW as evidence of their gift. This information is used for internal purposes, is not binding on the donor and will not be publicly disclosed without permission of the donor.
3. FFMW’s objective will be to have any bequest qualify as a component fund of FFMW.

**Charitable Remainder Trusts and Charitable Lead Trusts**
FFMW will not serve as trustee of a charitable remainder or a charitable lead trust for the benefit of FFMW. When requested, FFMW will provide prospective donors with the names of attorneys, institutions and investment advisors to assist in the establishment of charitable trusts.

The fees for the creation of a charitable remainder or a charitable lead trust will be paid by FFMW only upon approval of the Gift Acceptance Committee, and only if FFMW is named as the sole remainder beneficiary of a charitable remainder trust and the projected remainder to FFMW is significantly greater than the projected management fees; or FFMW is irrevocably named as the...
sole beneficiary of the annuity or unitrust payments during the lifetime of the trust and the total annuity or unitrust payments are significantly greater than the projected management fees.

Charitable remainder and charitable lead trusts shall not be marketed as tax avoidance or as investment or asset protection vehicles.

**Retirement Funds**

The development staff shall encourage donors to name FFMW as beneficiary of their retirement plans, including Individual Retirement Accountants (IRAs) and qualified pension and profit sharing plans. FFMW may be listed as a primary, secondary or contingent beneficiary. Such gifts will be recorded when they become irrevocable.

**MISCELLANEOUS**

Gifts not described above or gifts that place any unusual responsibilities or risks on FFMW will be discussed and require the approval of the Board of Trustees before accepting.