



**The Fort Worth Public Library Foundation  
Gift Acceptance Policy**

*Approved by the Executive Committee  
Fort Worth Public Library Foundation Board of Directors on September 23, 2020*

## **Introduction**

The Gift Acceptance Policy defines the broad parameters of gift acceptance. The goal is to encourage financial support for the Fort Worth Public Library Foundation (“the Foundation”) without encumbering the organization with gifts which either generate more cost than benefit or which may be restricted in a manner that is not in keeping with the mission of the Foundation.

## **Purpose**

This policy is established to:

- Provide legal and equitable protection for the interests of the Fort Worth Public Library Foundation, and the interests of those who support the organization through charitable gifts.
- Assure that each gift to, or for the use of, the Foundation is structured to provide maximum benefits and serve the best interests of the donor, the Foundation, and the Fort Worth Public Library.
- Encourage gifts to the Foundation by donors without encumbering the organization or the donors’ financial and other resources.
- Create effective fundraising programs through clear, concise policies and procedures consistent with the mission of the Fort Worth Public Library Foundation and the donor’s interest.

## **Confidentiality**

The Fort Worth Public Library Foundation will maintain the highest confidentiality standards for all donor files and records. These files and records may be used only by the Foundation, and its employees and agents, and will not be shared with any third party. Unless given specific permission by the donor to publicize the details of a gift, the donor’s files and records will be held in strict confidence. Specific details of a donor’s giving history will not be shared, except for public recognition purposes, or as may otherwise be required by law.

## **Use of Legal and Financial Advisors**

The Fort Worth Public Library Foundation will encourage donors and prospective donors to seek the advice of legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Foundation will likewise seek the advice of legal and financial advisors in matters relating to the acceptance of gifts when appropriate.

## **Standards of Professional Practice and Ethical Principles**

The Fort Worth Public Library Foundation staff, volunteers, and board of directors shall abide by the Association of Fundraising Professionals Ethical Principles in Fundraising.

## **Gift Provisions**

### **Cash, Credit Cards and Checks**

Outright gifts via cash, credit cards or checks will be accepted and acknowledged at face value.

### **Real Estate**

Any prospective gift of real estate must receive the approval of Fort Worth Public Library Foundation President/CEO and Executive Committee of the Foundation board.

The Foundation is not generally in the practice of being a “net-holder” of real estate and will attempt an immediate sale of any donated property, provided market conditions are favorable (property will not be sold at “fire sale” levels). Outright gifts of real estate and/or interests in entities holding real estate will be valued at fair market value through a qualified appraisal at the time of transfer to the Fort Worth Public Library Foundation.

The Foundation will not accept property to be given for a specific use or with restrictions other than to sell. Further, the Foundation will not accept less than an unencumbered one hundred percent (100%) ownership of the gift property (undivided interest) unless there is a commitment from the Donor and all other owners to cooperate in the sale of the non-gifted interest in such property on terms acceptable to the Foundation.

### **Oil, Gas and Mineral Interest**

The Foundation may accept oil and gas property interests, when appropriate.

Criteria for acceptance of this property shall include:

- Gifts of surface rights should have a value of \$20,000 or greater.
- Gifts of oil, gas, and mineral interests should generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate. A working interest may only be accepted when there is a plan to minimize potential liability and tax consequences. The property should undergo an environmental review to ensure that the Foundation has no current or potential exposure to environmental liability.

### **Securities**

Gifts of marketable securities will be accepted according to the administrative procedures for marketable securities gifts. Upon receipt of the marketable securities, the Fort Worth Public Library Foundation will sell the securities through an independent broker at the current market value upon receipt.

Marketable securities will be valued at the average of the high and low value as listed on any recognized national or regional securities exchange on the appropriate date of receipt of the securities.

Gifts of non-publicly traded securities will not be accepted.

The Foundation will not accept gifts of futures, contracts, or derivatives in the absence of the ability to immediately liquidate such gifts.

### **Life Insurance and Retirement Plans**

Only insurance policies which are either paid-up, or where there is a commitment by the donor to be responsible for the payment of continuing premiums, and which the Fort Worth Public Library Foundation is named as both the beneficiary and irrevocable owner, will be accepted. Such designations shall not be recorded as gifts to the Foundation until the gift is received.

Retirement Plan Beneficiary Designations—Donors and supporters of the Fort Worth Public Library Foundation will be encouraged to name it as a beneficiary of their retirement plans. Such designations will not be recorded as gifts to the Foundation until such time as the gift is received.

### **Charitable Remainder and Lead Trusts**

Any prospective gift using a charitable remainder or lead trust must receive the approval of the Foundation President/CEO and Executive Committee of Board.

The Foundation will not assume the position of Trustee of any charitable remainder or lead trust. Donors will be advised to seek others to provide this service.

With regards to the establishment of a new charitable remainder or lead trust, legal counsel for the Foundation should review all contracts and related documents for the establishment of the charitable remainder trust prior to final acceptance.

### **Gift Annuity Agreements**

Gift annuity agreements may be entered into to facilitate giving. A gift annuity agreement may be established if the amount of the agreement is more than \$5,000. Generally, the published table rates are to be used for all gift annuity agreements.

Real estate or any other illiquid asset will not be accepted as the funding source for a gift annuity without the specific prior approval of the Fort Worth Public Library Foundation Board of Directors.

### **Gifts to Endow Special Programs**

Any gift to endow special programs must receive the prior approval of the Foundation President/CEO and Board of Directors.

Only specific special programs will qualify for support through endowment gifts.

The endowment gift must be large enough that the income from the endowment can support the entire dollar cost of the special program and still have enough left over to reinvest so that the endowment can grow and be large enough to support the program and any inflation that has occurred.

Gifts to endow special programs will only be accepted with the provision that they may be converted to the general endowment fund of the Foundation in the event that the special

program no longer exists, as determined in the sole discretion of the Fort Worth Public Library Foundation. Building project capital campaigns may incorporate an endowment component if deemed appropriate by the Board.

### **Gifts of Artwork and Other Tangible Personal Property**

Generally, gifts of artwork and other tangible personal property will not be encouraged, however, if such gifts are accepted, the following conditions will apply. Artwork and other personal property received as a gift may be sold, donated, or auctioned. Only outright gifts will be considered.

It will be the responsibility of the donor to arrive at a value for the gift through a professional third-party appraisal prior to the transfer to the Foundation. While an in-kind donation will be noted in a donor's file, its value will not be officially recorded for accounting purposes unless the Foundation receives a qualified appraisal.

### **Bequests**

Donors are encouraged to make bequests to the Fort Worth Public Library Foundation in their will or estate plan.

## **General Policies**

### **Restricted Gift Policy**

If circumstances should arise such that the uses and purposes for which this donation has been accepted no longer exist, have evolved to a similar purpose, exceed the needed expenses of the project/program or become in conflict with policies of the Fort Worth Public Library or FWPLF, then the Board may use the gift in a manner which is in the best interest of the organization, bearing in mind the wishes of the donor(s) set forth herein.

### **Naming Opportunities**

Donors may request naming rights associated with a gift. The project must be an acceptable naming opportunity as defined by the Foundation and/or Fort Worth Public Library. A significant and appropriate percentage (generally 50% or more) of the project, program, or fund (i.e., scholarship) must be contributed to have the project named for an individual or organization.

The specific proposed name and the design and location of the recognition piece must be approved by the Board of Directors. The Foundation will produce a letter of agreement to be signed by both parties clearly stating the length of time for which naming rights will remain in place.

**Memorials or Tribute Gifts** All memorial gifts will be used as unrestricted income unless a specific request is made by the donor or the honoree's family. Donors will be provided with a list of appropriate memorial projects. Gifts may not be designated to living, non-structural items (trees, bushes, etc.). When gifts are designated to projects with associated recognition (benches, chairs, etc.), the Foundation will produce a letter of agreement to be signed by both parties clearly stating the length of time for which naming rights will remain in place

**Capital or Major Multi-Year Gift Pledges**

Major and/or capital gift commitments should not extend beyond five years and require a signed gift agreement which shall be produced by the Foundation.

**Donor Acknowledgement Activities**

The Foundation follows the most current IRS guidelines and safe harbor rules when acknowledging and recognizing individual donors, community partners, and sponsorships.