



BOYS & GIRLS CLUBS OF GREATER TARRANT COUNTY

Gift Acceptance Policy

Overview Statement

Boys & Girls Clubs of Greater Tarrant County (a non-profit corporation organized under the laws of the State of Texas), encourages the solicitation and acceptance of gifts of funds and acceptable tangible property to further the purposes set forth in the Articles of Incorporation to operate for profit or gain in order to afford the youth of Tarrant County the opportunity to reach their full potential as productive, caring, responsible citizens. The following policies and guidelines govern acceptance of gifts made to Boys & Girls Clubs of Greater Tarrant County (hereafter referred to as BCGTC) for purposes that help the organization to further and fulfill its mission.

General Guidelines

All gifts intended by the donor to be endowed will be made to the Boys & Girls Clubs of Greater Tarrant County Foundation (the Foundation), which has a separate gift acceptance policy.

All restricted gifts and pledges to BCGTC require written or emailed documentation of donor intent. Pledges will not be counted or entered without proper documentation from the donor. All gifts and pledges will be recorded on the books of BCGTC in compliance with IRS regulations and FASB accounting standards.

BGCGTC authorizes the acceptance of gifts to the organization only where there is genuine donative intent and where the gift is in the best interest of both parties. All gifts are accepted as unrestricted unless otherwise indicated. BGCGTC does not authorize the acceptance of gifts that would jeopardize the financial, legal, or moral integrity or reputation of the institution, or where the gift would cause embarrassment to the donor or his/her family.

The gift acceptance policy is to support the mission of BCGTC and to give staff and the Board of Directors approved guidelines on the acceptance of charitable gifts to BCGTC.

I. Standard of Conduct:

BGCGTC's staff and Board of Directors shall not benefit personally from fees related to gifts received. BCGTC staff and Board of Directors shall not participate in any activity that could be deemed a conflict of interest. Further, BCGTC staff and directors shall not pay a finder's fee or other private inurement to anyone as a result of such person's involvement in acquiring any gift for the organization.

All prospective donors are encouraged to seek the advice of personal legal and financial advisors in matters relating to their gifts and resulting tax and estate-planning consequences. If necessary, BCGTC staff will assist the donor to secure counsel, provided that such assistance shall not constitute any warranty or representation by BCGTC to the donor with respect to the counsel, and the donor must conduct his or her own due diligence regarding all counsel.

BGCGTC will not knowingly accept gifts that result in an unethical or illegal advantage to the donor or to a third party.

In situations where staff members, advisors, or consultants retained by BCGTC to prepare documents or render advice in any form to a potential donor, it shall be disclosed to the donor that the professional involved is acting on behalf of BCGTC and is not acting on behalf of the donor who should retain his or her own counsel.

BCGTC will hold all information obtained from or about donors in strict confidence. Donors will be recognized in various lists in publications and donor recognition walls unless the donor has requested anonymity.

II. Responsibility:

The Resource Development Committee of the Board of Directors of BCGTC is responsible for reviewing this Gift Acceptance Policy on an annual basis. BCGTC staff shall be responsible for maintaining and implementing these policies on a day-to-day basis. BCGTC may consult legal counsel when it deems that appropriate.

III. Restrictions on Gifts:

BCGTC encourages unrestricted gifts that empower the organization to take on all matters of expenses that allow for the fulfillment of its mission. BCGTC will accept restricted gifts, and gifts for specific purposes, provided that such gifts support its mission, purposes, and priorities and meet the guidelines of this Gift Acceptance Policy. BCGTC will not accept gifts that are unduly restrictive in purpose or conditions. The Board of Directors shall make all final decisions on the restrictive nature of a gift, and its acceptance or refusal.

IV. Types of Assets:

The following assets are generally acceptable as gifts, either outright or in bequests or devises (estate gifts), or when appropriate, as funding for a charitable remainder trust, charitable lead trust, or other gift planning format. BCGTC reserves the right to decline any gift on the basis of the character of the gifted asset or any terms that are deemed by the Board of Directors to be unacceptable.

- Cash
- Securities
- Real Estate
- Other Tangible Assets
- Life Insurance
- Retirement Assets
- Oil, Gas, and Mineral Interests

The following criteria shall govern the acceptance of each gift form:

A. Cash is acceptable in any form.

B. Securities: Gifts of readily marketable, publicly traded securities will be credited at the fair market value based on the average of the high and low quoted selling prices on the date delivered to BCGTC or its broker. Shares of readily marketable publicly traded mutual funds will be credited at the closing net asset value of the shares on the gift date. BCGTC's general policy is that it will sell securities immediately through its agent or representative. No person may make a commitment to a donor that a particular security will be held by BCGTC, without the prior written consent of the President & CEO.

C. Real Estate & Businesses: Mortgage-free fee interests in real property are generally acceptable, subject to the conditions set forth herein. Full interests, partial interests, and remainder interests in real property may be acceptable depending upon the specific terms applicable to each. In the case of such gifts, the donor shall agree to pay all property taxes, to maintain the property, and to provide adequate insurance on the property. Conditions for acceptance shall include salability and annual maintenance costs, including evaluation of any liens against the property and any real estate taxes. Donors shall furnish a current phase 1 environmental review, a title binder, and such further environmental reports as may be indicated by the phase 1 review. Donor shall sign a statement regarding liability for previous and current environmental or other conditions on the recommendation

of BCGGTC's counsel. BCGGTC's general policy is that it will offer the accepted property for sale within a reasonably limited time period after acceptance.

- E. Life Insurance: BCGGTC encourages gifts of life insurance policies as outright gifts. BCGGTC may surrender paid-up life insurance policy gifts for their current cash value, if BCGGTC is the owner and irrevocable beneficiary. Donors also may designate BCGGTC as a beneficiary or contingent beneficiary of life insurance policies which the donor continues to own and control. Since this is considered a revocable gift, it will not be recorded for accounting purposes until BCGGTC receives payment or until the policy is irrevocably gifted to BCGGTC. At that time, the present value of the gift will be recorded as the gift value. Gifts can also be made by purchasing a new life insurance policy of which BCGGTC is the irrevocable beneficiary. BCGGTC shall not recommend insurance agents or agencies. Those considering gifts of new insurance are encouraged to survey the market by reviewing the products of a number of companies.
- F. Retirement Assets: BCGGTC may be named as a primary, secondary, partial, or contingent beneficiary of an individual retirement account (IRA) and/or other qualified retirement plan.
- G. Oil, Gas, and Mineral Interests: Proposed gifts of these assets must be considered by BCGGTC and be approved by its Board of Directors prior to acceptance. Working interests shall require an economic evaluation before acceptance because of the potential for various liabilities. In the case of royalty interests and non-producing minerals that have not yet been developed, acceptance is permitted with the prior written approvals of the President & CEO and Senior Vice President of People & Finance.

Acceptance of any in-kind contributions is at the discretion of Boys & Girls Clubs of Greater Tarrant County. BCGGTC will not accept any gift unless it can be used or expended consistently with the purpose and the mission of the Club. In general, a donated good or product must directly support our clients or staff, or provide an opportunity to raise funds through its sale. Donated goods and products fall into two categories, with separate considerations for each that include, but are not limited to:

1. In-kind gifts

In-Kind gifts can include items that can be used directly by our staff or clients and items that may be used in support of our fundraising events. BCGGTC will accept in-kind gifts according to the following guidelines:

- a. **Clothing:** BCGGTC generally accepts new clothing for infants, children and adults. Gently used clothing is considered on an individual basis.
- b. **Tickets & Experiences:** BCGGTC accepts tickets for cultural, sports and other community events based on the feasibility of using the tickets according to the donors intention. Events must be culturally and age appropriate in order to accept. Vouchers for vacations and other experiences are accepted based on feasibility of leveraging them for fundraising purposes.
- c. **Technology:** BCGGTC accepts contributions of technology only when they comply with our existing network requirements and our staff or client needs. We do not accept obsolete or non compliant technology, or items that are missing necessary components.
- d. **Gift Cards:** BCGGTC accepts donations of store gift cards, which may be used as holiday gifts for clients and youth, youth participation incentives, raffle items for staff or youth or to help offset the organization's costs.
- e. **Food & Other Consumable Products:** Unopened shelf stable food and other consumable products will be accepted based on client need and expiration date.

2. Tangible personal property

Tangible personal property includes art, jewelry, coin and stamp collections and collectibles that are donated to BCGGTC with the understanding that they will be sold. BCGGTC will consider the following when offered a gift of

tangible personal property:

- a) **Value** – The value of the gift must outweigh the cost to administer, maintain, store and sell it.
- b) **Marketability** – The item must be readily marketable. We will also consider any additional costs that may be involved with its sale.
- c) **Restrictions** – Acceptance of the item may also depend on whether the donor has requested any restrictions on the use, display or sale of the item.
- d) **Gift Transfer Costs** – The donor must be willing and able to finance the packing, shipping, delivery, insurance and other costs associated with transferring the gift.

V. Gift Acceptance Review Process:

In addition to the approvals otherwise required in this Policy, the following procedures will apply to the review of all gifts:

- A. Lifetime gifts of cash, unrestricted publicly traded securities and mutual funds, life insurance policies, or bequests of any of them will be reviewed and approved in writing by the President & CEO, the Senior Vice President of People & Finance and Advancement leadership.
- C. For cash and marketable securities, official acceptance occurs upon receipt by BGCCTC or its duly authorized representative. Other gifted assets are subject to a transfer of title or other documentation, subsequent to BGCCTC's notice of approval of acceptance of the gift.

VI. Valuing Gifts:

In consonance with the tax laws, the donor is solely responsible for claiming any deductions, including filing required IRS forms, and obtaining any appraisals or other documentation. Full responsibility also rests on the donor for the value given to all property, and each donor will be requested to give BGCCTC a written statement of value for gifts for accounting purposes. BGCCTC may, but shall not be required to, use the donor's value for the BGCCTC's reporting purposes.

BGCCTC will accept gifts of services or goods donated in-kind if such goods or services are helpful and useful. A Gift In-Kind form will be issued to the donor, as BGCCTC will not state the value of the goods or services donated but will thank the donor and acknowledge the gift.

Scholarship Policy:

To be maintained in perpetuity, Endowed Scholarship Funds require a minimum initial gift of \$10,000. Non-Endowed Scholarship Funds require a minimum gift of \$2,500 and should be given in one transaction. BGCCTC will collaborate with the donor to establish objective and non-discriminatory criteria for the scholarship. Scholarships may only be paid to educational institutions in support of the recipient and must be accessed within six years of the recipient's high school graduation.

VII. General Policies for Planned Gifts:

All gifts intended by the donor to be endowed are made to the Boys & Girls Clubs of Greater Tarrant County Foundation.

No planned giving agreement will be urged upon any donor or prospective donor that would benefit BGCCTC but take unfair advantage of the donor. BGCCTC encourages unrestricted estate and planned gifts, since restrictions may become impractical or impossible over time. BGCCTC reserves the right to decline restricted gifts.

Upon the donor's request, BGCCTC will provide language to assist in establishing a restricted estate or planned gift. The sample language will include the following: "This designation represents a preferred use for these funds and is not an absolute restriction. Should the exact designation cease to be effective or practicable before or after the gift is received by Boys & Girls Clubs of Greater Tarrant County, BGCCTC is authorized to use this gift in an alternative

way consistent with the general intent of this designation.” Should the gift be redirected based on the occurrence of any such event, the donors and/or heirs will be notified.

Gifts of which BCGTC had no prior knowledge of the amount or nature of the gift will be treated as if the language above had been included, unless legally not permitted.

- A. Estate Commitments: BCGTC is grateful to donors who choose to include the organization among the beneficiaries of their estates through a bequest. It is beneficial to BCGTC for donors to inform the organization of an estate commitment and provide documentation of the planned bequest. Such documentation will most commonly be provided in the form of a copy of the cover page and relevant sections of the donor’s will or trust agreement. Such bequests shall not be recorded as gifts to BCGTC until the gift is irrevocable. Where the gift is irrevocable, but is not due to be transferred to BCGTC until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
- B. Estate and Trust Distributions: Distributions from estates and trusts that are received by BCGTC and that have not been counted as gift commitments previously will be credited at the value on the date that funds are realized by BCGTC. Undesignated bequests and trust distributions may be subject to review and use designation by the Board of Directors.
- C. Charitable Lead Trusts: Donors who set up a charitable lead trust through a trustee can name BCGTC as the lead beneficiary for a defined term, after which time the trust’s assets are distributed either back to the donor or to named beneficiaries.

VIII. Materially Significant

BCGTC considers any items valued at \$25,000 or more to be considered materially significant.

IX. Tax Accountability:

BCGTC shall file all applicable forms required upon the sale or disposition of any asset, other than securities, sold within three years of receipt by BCGTC when the charitable deduction value is more than \$5,000, or as otherwise provided in applicable Internal Revenue Service rules and regulations. Currently, BCGTC must file this form within 125 days of the date of sale or disposition of the asset. Acknowledgment of all gifts made to BCGTC will be the responsibility of the Advancement Office and will be made in compliance with the current IRS requirements.

*These policies and guidelines have been reviewed and approved by the Board Resource Development Committee of Boys & Girls Clubs of Greater Tarrant County on **July 12, 2021**.*