



GIFT ACCEPTANCE POLICY

Overview

The gift acceptance policy of The Cape Cod Foundation relates to two basic aspects of all gifts:

Form of the gift

The Foundation receives gifts in the following forms:

- Marketable securities
- Cash
- Checks
- Closely held marketable securities
- Real Estate
- Interest in limited partnerships
- Other property (examples: furniture, works of art, precious metals, etc.)

Purpose of the gift

The purpose of all gifts to The Cape Cod Foundation must fall within the mission of the Foundation. The purpose of the gift and the procedures for its administration must be defined in a letter signed by the donor.

Except in unusual circumstances, a letter restating the original purpose of the gift need not accompany a gift added to an existing fund.

Fund Types of gifts

A gift can create the following types of funds:

- Donor-Advised Funds – a fund that allows the donor to make recommendations on distributions
- Discretionary Funds – funds that support community needs as determined by the Foundation Board of Directors, including unrestricted and field of Interest funds
- Designated Funds – funds that support specific nonprofit organizations identified by the donor
- Scholarship Funds – funds that provide financial support to local students.
- Agency Funds - funds established by and for the support of a specific nonprofit organization

Minimum Gifts

Subject to the policies set forth in this document, the Foundation may accept gifts to existing funds of any size. The minimum gift for a named, endowment fund is \$10,000 with the exception of a named, scholarship endowment fund, which requires a minimum of \$25,000. A new fund may be established with a lower minimum if the donor arranges regular payments to bring the fund to the minimum level within a reasonable time frame. Exceptions are subject to the approval of the Executive Director.

Policy for review of gifts

The Executive Committee of the Foundation's Board of Directors has the responsibility to consider and determine procedures concerning acceptance of all gifts to The Cape Cod Foundation in order to ensure that gifts received are consistent with the mission of the Foundation.

Acceptance by staff of gifts consistent with the purposes, by-laws and procedures of the Foundation will not require review by the Executive Committee if the gifts are in any of the following forms:

- 1) Marketable securities;
- 2) Cash consistent with the Large Currency Transaction Act;
- 3) Checks;
- 4) Closely held marketable securities in which, in the opinion of staff, proper information concerning the valuation of the gift has been provided and there are no special requirements;
- 5) Gifts of usable furniture and equipment for the Foundation's offices or programs of the Foundation;
- 6) Gifts of precious metal, which to value is easily established.

Gifts requiring review and approval of the Executive Committee will include the following:

- 1) Gifts with a purpose that may fall outside the purposes, bylaws and procedures of The Cape Cod Foundation.
- 2) Gifts of marketable real estate. The donor will be required to provide an independent appraisal and an environmental review as well as a description of the property. The Executive Committee will review these documents as well as consider the liabilities, restrictions or other conditions related to the gift.
- 3) Closely held property and securities where, in the opinion of staff, there may be concerns about valuation, certain requirements, or other questions which indicate that a review of the Executive Committee is necessary.
- 4) Other property that may be unusual or fall outside the type of gifts usually handled by the Foundation.

In cases where such review is required, the staff will give the Executive Committee all pertinent details of the gift and include in this information a clear statement of the charitable benefit. If the gift involves the liquidation of an unusual asset, the Foundation will investigate and abide by any resulting unrelated business income tax should the Foundation agree to accept the gift.

Gifts for Donor Advised Funds: Notwithstanding any other provision, the Committee shall not accept any gift of an interest in a business enterprise for a donor advised fund ("DAF") that would subject the Foundation to tax under section 4943 of the Internal Revenue Code, concerning "excess business holdings." The holdings of a donor advised fund in a business enterprise, together with the holdings of persons who are disqualified with respect to that fund, may not exceed either of the following:

- 1) 20% of the voting stock of an incorporated business,
- 2) 20% of the profits interest of a partnership or joint venture or the beneficial interest of a trust or similar entity.