

## **5B Gift Acceptance Policy**

*Complies with LTA Standards and Practices Practice 5B: Accountability to Donors*

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Jefferson Land Trust solicits and accepts gifts for purposes that will help the organization fulfill its mission. The following policies and guidelines govern acceptance of gifts to Jefferson Land Trust for the benefit of any of its operations, programs or services. The Land Trust encourages all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning implications.

### **Gifts Generally Accepted Without Review:**

1. **Cash.** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line.
2. **Marketable Securities.** Securities may be transferred electronically to an account maintained at one or more brokerage firms. All marketable securities will be sold promptly upon receipt unless otherwise directed by Jefferson Land Trust's Finance Committee. Jefferson Land Trust does not accept closely held securities.
3. **Bequests.** Donors are encouraged to make bequests to Jefferson Land Trust in their wills, and to name the Land Trust as a beneficiary in trusts, life insurance policies, commercial annuities and retirement plans. Should a donor have a personal desire related to the use or disposition of real property to be devised to Jefferson Land Trust in a will, that donor is encouraged to contact the Land Trust staff to discuss their wishes. The donor is then encouraged to describe these wishes in writing in a way that informs Jefferson Land Trust, but does not legally restrict the Land Trust's use or disposition of the real property to be gifted.
4. **Trusts.** Jefferson Land Trust will accept designation as a remainder beneficiary of charitable remainder trusts, and will accept designation as an income beneficiary of charitable lead trusts.

### **Gifts Accepted Subject to Prior Review:**

1. **Tangible Personal Property.** A proposed gift of tangible personal property (art, automobile, boat, airplane, etc.) will be reviewed based upon the following criteria:
  - Does the property further the organization's mission?
  - Is the property marketable? If so, does the organization have the capacity to market it?
  - Are there any unacceptable restrictions imposed on the property?
  - Are there any carrying costs for the property for which the organization may be responsible?
  - Is the title/provenance of the property clear?
2. **Life Insurance.** Jefferson Land Trust will accept gifts of life insurance where the Land Trust

is named as 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.

3. Real Estate. Jefferson Land Trust may accept a gift of many types of real property, including residential or commercial property and working farms or forests. Any donated real property may be sold and the proceeds used to support Jefferson Land Trust's mission. Prior to acceptance of any gift of real estate, Jefferson Land Trust shall require an initial review. Criteria for acceptance of gifts of real estate include:

- Does the property have significant monetary or conservation value that could further the organization's mission?
- Have the conservation values of the property been evaluated by the Conservation Projects Committee?
- Is there clear title?
- Is the property readily marketable?
- Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property?
- What are the carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
- Does an environmental review of the property reflect that the property is contaminated or otherwise requires remediation?

### **Donor Designated Gift Restrictions**

Donors may place use restrictions on monetary or other kinds of gifts, including real property. However, these restrictions must be discussed in advance with Jefferson Land Trust, and the restrictions must be stated in writing. In some cases, the Land Trust will accept donated land (including farms, forests, and open space) for protection, but only if the Land Trust and the donor have discussed, in advance:

- the suitability of the land for permanent protection,
- its compatibility with the Land Trust's current land protection criteria, priorities, and due diligence, and
- the stewardship costs for protecting the donated land.

As with land donated for protection, monetary gifts for the purchase of land shall be governed by current land protection policies with respect to criteria, priorities, and due diligence.

The Land Trust reserves the right to refuse gifts if the conditions of the gift or restrictions are deemed to be unsuitable or incompatible with its mission or priorities.

### **Securing Appraisals**

In cases where an applicable provision of the Internal Revenue Code requires a qualified appraisal in order to substantiate a donor's charitable contribution deduction of a gift to Jefferson Land Trust, it is the responsibility of the donor to secure and pay for such an appraisal. Jefferson Land Trust may not pay for or otherwise provide an appraisal of any gift.

## **Board Approval of Restricted or Real Property Gifts**

Should serious questions arise among Jefferson Land Trust staff concerning the acceptance of a gift, those questions will be presented to the Executive Committee as an aid in the decision-making process. The Jefferson Land Trust Board makes the final decision regarding the acceptance of any gift of real property or any restricted gift of money, marketable securities, or personal property.

## **Confidentiality**

Jefferson Land Trust respects the privacy of its donors, and will not divulge the name of any donor or the details of any gift without the donor's advance permission.

## **Good-Faith Commitment**

Jefferson Land Trust will abide by the wishes of a donor in the allocation of a gift approved for acceptance in accordance with this policy. Acceptance of gifts with restrictions will be considered as acceptance of the donor's restriction.

## **Gift Acknowledgment and IRS Compliance**

Jefferson Land Trust will provide timely written acknowledgment of all gifts accepted and received by JLT and such acknowledgment will be in compliance with the current IRS requirements.

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Jefferson Land Trust reviews policies and practices on an as-needed basis. Changes to policies and practices require approval by the Board of Directors.

*Drafted by the Deputy Director Chris Clark June 8, 2018*

*Reviewed by Governance Committee June 30, 2018*

*Adopted by Jefferson Land Trust Board of Directors July 17, 2018*