

	LIONS PRIDE ENDOWMENT FUND, INC. Corporate Policy		Number <u> 7 </u> Page 1 of 4 Revision _____ Revised By
	Prepared by Geri Schlender	Original Issue Date January 20 2012	
	Gift Acceptance		Latest Revision Date

Purpose: Guidelines for the Acceptance of gifts to Lions Pride Endowment Fund, Inc.

- A. All gifts for the Lions Pride Endowment Fund will be accepted by the Lions Pride Endowment Fund, Inc. Board of Directors. All decisions must be made by unanimous vote. If a consensus cannot be reached LPEF will decline the intended gift.
- B. Gifts that are accepted will be managed by the LPEF Board, and in special cases, by the M & I Bank or other institutions. In some cases, donors may wish to make special arrangements for the management of Charitable Remainder Trusts committed to the Lions Pride Endowment Fund, Inc. Tax deductions of gifts to the LPEF will be determined by IRS regulations. Donors will be asked to sign a Memorandum of Agreement for every gift that qualifies as a Major Gift.
- C. It is clearly understood that special gifts or circumstances might require a case by case review by the LPEF Board and might not necessarily be addressed in this document.
- D. All donations, regardless of value, or designated use, should be made payable to the Lions Pride Endowment Fund, Inc.
 1. Donors have five years from the date of the pledge to fulfill their gift commitment.
- E. The following types of gifts will be acceptable to the Lions Pride Endowment Fund, Inc. under the guidelines listed below:
 1. Outright Gifts
 - a. Gifts of cash or check will be accepted at face value.
 2. Pledges
 - a. Pledges will be counted at the full face value of the pledge when the pledge is properly documented. Pledges are commitments to give a specific dollar amount according to a fixed schedule. The pledge should be fully paid five years from the date of the pledge.

3. **Marketable Securities**
 - a. The LPEF will accept listed securities as outright gifts or payments toward pledges. Such gifts will be valued at the mean market value on the date of the gift in accordance with IRS regulations for tax purposes. The cash value or proceeds of gifts or marketable securities will be counted toward the Campaign according to the designation of the donor.

4. **Closely Held Securities**
 - a. Securities not traded on an exchange may be accepted only if the valuation can be substantiated by an expert appraisal. The acceptance of securities with restrictions on the subsequent disposition of such securities must receive specific approval of the LPEF Board. In accepting these securities, there must be an arrangement for a completed sale within two years of the date of the gift. The cash value of this sale will be counted toward the Campaign when the securities are sold.

5. **Real Estate**
 - a. No gift of residential, rental, commercial, industrial or agricultural real estate shall be accepted without a site visit by a member of the LPEF Board and the subsequent approval by the entire board.
 - b. No gift of real estate encumbered by a mortgage or lien shall be accepted.
 - c. If the gift of real estate is sold during the Campaign, the proceeds or cash value are eligible to be counted by the Campaign in the case where the gift is assigned to the Campaign. Gifts of real estate with a retained life estate or unsold real estate at the end of the Campaign will be accepted for the purposes of the Campaign. The fair market value of a gift of real estate should be determined by an independent appraisal obtained by the donor.

6. **Gifts in Kind**
 - a. The LPEF requests a written letter from the donor with the establishment of the fair market value of the gift in kind. Gifts of personal property may include but are not limited to precious metals, artwork, collections and equipment. Gifts of personal property will be sold or used for the benefit of the Lions Pride Endowment Fund, Inc. at the sole discretion of the LPEF Board. The Lions Pride Office is responsible for issuing the Form 8283 (Non cash Charitable Contributions) to the donor and issuing the Form 8282 (Donee Information Return) to the Internal Revenue Service. Donors will be informed at the time of acceptance of said gift, the Lions Pride Endowment Fund, Inc. will, as a matter of policy, co-operate fully in any and all matters related to IRS investigations of non cash, personal property charitable gifts.

7. Gifts of Insurance
 - a. Gifts of whole life or universal life insurance are acceptable for the Lion Pride Endowment Fund. The LPEF will accept life insurance policies as gifts when the Lions Pride Endowment Fund, Inc. is named as the irrevocable owner or listed as the beneficiary of the policy. In order to be counted in the Campaign, these gifts must produce a cash value. If the donor wishes to pay the annual premium for a policy, the policy will be kept in force and assigned to the Lions Pride Endowment Fund, Inc. for the purposes of the Campaign.

8. Gifts of Lead Trusts
 - a. Gifts of Lead Trusts need to be accepted by the LPEF Board for the gift to be included in the Campaign. Lead Trusts should be treated as a pledge during the time frame of the Campaign and produce a cash value in order to be counted in the Campaign.

9. Gifts of Charitable Remainder Trusts
 - a. Gifts of charitable remainder unitrusts and annuity trusts are subject to acceptance in the Campaign by the LPEF Board. Negotiations on these trusts will include persons from the LPEF Board and a representative from M & I Bank or other institution. Charitable Remainder Trusts will be managed by M & I Bank or other institution. The charitable gift amount is determined by independent calculations using government formulas and annuity factors for these Trusts. Gifts that remain in trust form for the remainder of the trust life will be recognized in the Campaign and be added to the permanent fund for the Lions Pride Endowment Fund, Inc. according to the designation of the donor.

10. Bequests and Non-Charitable Trusts
 - a. The proceeds of bequests and non-charitable trusts, which are actually received during the course of the Campaign, will be credited toward Lions Pride Endowment Fund totals.
 - b. Donors, who choose to make a commitment to the Lions Pride Endowment Fund through a provision in their estate plans, either a bequest or trust provision, will be considered as participants and will be recognized as contributing to the Lions Pride Endowment Fund. However, the dollar value of such expectancies will not be counted toward the Campaign goal.
 - c. To receive recognition, the provision must not be contingent, except where spouses make a provision that will result in a gift being received upon the death of the second to die. A copy of the actual wording of the provision that establishes the gift must also be examined by the Pride staff and, with the donor's permission, be placed in the LPEF files.
 - i. A *specific bequest* provides the Lions Pride Endowment Fund, Inc. a specific sum of money, stated percentage of the estate, or a specific property such as real estate or securities.

- ii. A *residual bequest* leaves some or all of the remaining estate to the Lions Pride Endowment Fund, Inc. after debt repayment and specific bequest, if any.
- iii. A *contingent bequest* ensures that the Lions Pride Endowment Fund receives all or a share of the estate in the event of the prior death of certain other beneficiaries.
- iv. A *residual bequest subject to life* interest applies when the donor chooses to have the Lions Pride Endowment Fund, Inc. receive the bequest following the death of certain other beneficiaries who have use of the assets in the estate for their lifetime.