



POLICY 12: GIFT ACCEPTANCE

I. PURPOSE AND SCOPE

The Three Lakes Community Foundation (TLCF) welcomes gifts that support its charitable mission. This policy establishes procedures for evaluating, accepting, and managing gifts to protect both the TLCF and its donors. It applies to all gifts received by the TLCF, whether solicited or unsolicited. All gifts are subject to review. The TLCF reserves the right to decline any gift that conflicts with its mission, creates legal or financial liability, or cannot be administered effectively.

II. AUTHORITY

The TLCF Board of Directors (Board) holds final authority over gift acceptance. For routine gifts (cash, publicly traded securities), staff may accept on behalf of the Board.

Gifts requiring special review shall be brought to the full Board as described below.

Gift Types and Acceptance Guidelines:

- A. Cash and Cash Equivalents - Accepted without restriction. Includes checks, wire transfers, ACH, credit card, and online giving platforms. Checks should be made payable to Three Lakes Community Foundation.
- B. Publicly Traded Securities - Accepted. Securities will generally be liquidated promptly upon receipt. The TLCF does not provide tax advice; donors should consult their own advisors regarding valuation and timing.
- C. Real Estate Property - Accepted only after due diligence and Board approval.
Required steps include:
 - 1. Qualified appraisal obtained by the donor
 - 2. Environmental assessment (Phase I at minimum)
 - 3. Review of title, liens, and carrying costs
 - 4. Assessment of marketability

Donors are responsible for appraisal and environmental assessment costs. The foundation will not accept real property with known environmental liability.

- D. Life Insurance - Accepted when the TLCF is named as both owner and irrevocable beneficiary. If the policy is not fully paid up, the donor is expected to continue

premium payments. Policies on which premiums lapse may be surrendered at the TLCF's discretion.

- E. Retirement Plan Assets - The TLCF welcomes designation as beneficiary of IRAs, 401(k)s, and similar accounts. No formal acceptance required during the donor's lifetime; the TLCF will work with the donor's estate upon receipt.
- F. Bequests and Other Planned Gifts - The TLCF welcomes bequests and encourages donors to notify us of their intentions so we can ensure the gift can be accepted as intended. Notification is not binding but allows us to discuss any restrictions or concerns in advance.

III. RESTRICTED GIFTS

The TLCF will accept gifts where the donor has requested that funds be used for a specific purpose, provided that:

- A. The requested purpose is consistent with the TLCF's mission.
- B. The TLCF can reasonably carry out the restriction.
- C. The restriction does not create undue administrative burden or cost.

When a donor places a restriction on a gift, the terms will be documented in writing and signed by both the donor and an authorized representative of the TLCF.

Occasionally, a restricted purpose becomes impossible or impractical to fulfill. For example, a specific program ends, an organization closes, or circumstances change significantly. In those situations, rather than leaving the funds unused, the TLCF will redirect them to a purpose that honors the donor's original intent as closely as possible. Before doing so, the TLCF will:

- A. Make reasonable efforts to contact the donor or their estate.
- B. Document the circumstances and the rationale for any redirection.
- C. Seek legal guidance when appropriate, including court approval if required by state law.

The TLCF's goal is always to honor the spirit of the donor's wishes, even when the letter of those wishes can no longer be followed.

IV. GIFTS THAT WILL NOT BE ACCEPTED

The TLCF will generally decline:

- A. Gifts that conflict with the TLCF's mission or values
- B. Property with known or suspected environmental contamination
- C. Assets subject to excessive restrictions or conditions
- D. Gifts that create conflicts of interest for the Board members or staff
- E. Gifts that expose the TLCF to unacceptable legal or financial liability

F. Property the TLCF cannot reasonably use, manage, or liquidate

V. VALUATION AND APPRAISALS

The TLCF does not provide valuations for donor tax purposes. Donors are solely responsible for determining the fair market value of non-cash gifts and obtaining qualified appraisals as required by IRS regulations. The TLCF will provide acknowledgment letters as required by law.

VI. CONFLICTS OF INTEREST

Board members, staff, and volunteers shall disclose any personal interest in a proposed gift and recuse themselves from related decisions. Gifts from Board members are welcome and subject to the same review as other gifts.

VII. CONFIDENTIALITY

Donor information is held in confidence and not shared except as required by law or with the donor's permission.

VIII. ACKNOWLEDGEMENT AND RECEIPTING

All gifts will be acknowledged in writing in compliance with IRS requirements.