

Policy No.	Approval Date	Title	Authored	Approved By
PO.18	Restated 05.19.2016	Gift Acceptance Policies and Guidelines	Corporate Counsel	Board of Directors
	Restated 12.2.2022	Gift Acceptance Policies and Guidelines	Corporate Counsel	N/A

## COMMUNITY FOUNDATION OF SARASOTA COUNTY GIFT ACCEPTANCE POLICIES AND GUIDELINES

*(Initially Approved by the Board of Directors on January 19, 2001 – Restated January 15, 2010 – Restated May 19, 2016 – Restated December 2, 2022)*

The Community Foundation of Sarasota County, Inc. and the Community Foundation Trust of Sarasota County (hereinafter jointly referred to as the “Community Foundation”) are not-for-profit organizations organized under the laws of the State of Florida and have been determined to be public charities under section 501(c)(3) of the Internal Revenue Service Code. The Community Foundation encourages the solicitation and acceptance of gifts for purposes that will help it further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to the Community Foundation for the benefit of any of its programs.

The mission of the Community Foundation is: Community Impact Powered By Philanthropy.

We provide stewardship, collaborative leadership, and empowerment by facilitating philanthropy, which links donors’ interests to community needs.

### **I. Purpose of Policies and Guidelines**

The Board of Directors and staff of the Community Foundation solicit current and deferred gifts from individuals, corporations, and foundations to secure its future growth and accomplish its mission. These policies and guidelines govern the acceptance of gifts by the Community Foundation and provide guidance to donors, prospective donors and their advisors when making gifts. The provisions of these policies shall apply to all gifts received by the Community Foundation for any of its programs or services. These policies are policies of the Board of Directors of the Community Foundation and must be created and amended by majority vote of that Board. However, it is the purpose of this instrument to provide guidelines to the Gift Acceptance Committee, so that all decisions regarding these policies and the enforcement of these policies will be vested in the Gift Acceptance Committee. The Gift Acceptance Committee shall also adopt standard forms for agreements with donors and periodically review Acceptance Guidelines for all gifts, consistent with policies and guidelines established and approved by the Board of Directors of the Community Foundation.

### **II. General Policies**

- A. The Community Foundation has adopted the *Model Standards and Practices of the Charitable Gift Planner* (attached hereto as Exhibit A). These Standards serve to inform, serve, guide, or

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otherwise assist all Board and Staff members of the Community Foundation to aid donors who wish to support its activities in an open and ethical manner.

- B.** The donor should provide all appropriate disclosures related to any gift which:
  - 1. could generate any expense or other liability to the Community Foundation;
  - 2. could lessen the gift's charitable benefit to the community; or
  - 3. could prevent the Community Foundation from freely or effectively utilizing the gift.
- C.** Persons acting on behalf of the Community Foundation shall advise the donor that it is the donor's responsibility to obtain any necessary appraisals, file appropriate personal tax returns and defend against any challenges to claims for tax benefits.
- D.** Planned giving agreements requiring execution by the Community Foundation shall first be reviewed and approved by the Community Foundation's Legal Counsel. However, each agreement executed with a donor need not be reviewed provided it is based on a prototype agreement that has previously been reviewed and approved.
- E.** No employee shall serve as a trustee, conservator, executor, or personal representative for one of the Community Foundation's donors or prospects unless specifically approved by the Community Foundation's Board of Directors.
- F.** The Community Foundation does not make any representation that by accepting a gift it will retain the property or employ the donated property for the same purposes as the donor used it. For example, absent an agreement, if the Community Foundation acquires a residence as a gift, it will not retain it as an office or retreat, but it will sell it and invest the proceeds in accordance with its investment policy.
- G.** The principal mission of the Community Foundation is to raise, administer and distribute earnings from funds that are held on a permanent or endowed basis. As a service to donors, the Community Foundation is prepared to accept from time to time the receipt and disbursement of gifts that are not intended to be held as endowment funds. The Community Foundation exercises broad discretion as to accept such gifts and may charge an administrative fee above its normally stated fee for service.

### **III. The Gift Acceptance Committee**

The Gift Acceptance committee shall consist of the Officers of the Board of Directors and the following staff members: President/CEO, Chief Financial Officer, Vice President of Philanthropy and General Counsel. The Gift Acceptance Committee is charged with the responsibility of reviewing gifts

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made to Community Foundation, properly screening and accepting those gifts, and making recommendations to the Board of Directors on gift acceptance issues when appropriate.

#### **IV. Use of Outside Legal Counsel**

The Community Foundation shall seek the advice of outside legal counsel in matters relating to acceptance of gifts when appropriate. Review by outside legal counsel is recommended for:

- 1) Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- 2) Documents naming Community Foundation as Trustee.
- 3) Gifts involving contracts, such as bargain sales or other documents requiring the Community Foundation to assume an obligation.
- 4) Transactions with potential conflict of interest that may invoke IRS sanctions.
- 5) Other instances in which use of outside legal counsel is deemed appropriate by the Gift Acceptance Committee.

#### **V. Authority to Negotiate**

The Community Foundation management and administrative officers authorized to accept letters of transmittal and amendments thereto and to negotiate and sign charitable giving agreements with prospective donors are:

- The President & CEO, or in the absence of the President & CEO,
- Chief Financial Officer,
- or
- General Counsel

#### **VI. Conflict of Interest**

To assure that each donor has a complete and independent explanation of their charitable gift and to avoid any potential conflicts of interest that might arise in the explanation of a gift to a potential donor; the Community Foundation recommends all prospective donors to seek independent counsel through their own personal legal and financial advisors. The Community Foundation will comply with the *Model Standards of Practice for the Charitable Gift Planner* promulgated by the National Committee on Planned Giving.

#### **VII. Procedures for Review of Gifts**

The Community Foundation will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities. The Community Foundation will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter of the Community Foundation of

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Sarasota County, Inc. and the Resolution and Declaration of Trust of the Community Foundation Trust of Sarasota County, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Community Foundation. All final decisions on the restrictive nature of a gift and its acceptance or refusal shall be made by the Gift Acceptance Committee, as authorized by these guidelines as they may be modified from time to time by the Board of Directors of the Community Foundation.

In reviewing gifts to the Community Foundation, the Gift Acceptance Committee and/or staff will consider the following: the charitable intent and ultimate community benefit of the gift, the nature of any restrictions, the permanency of the fund, the projected costs of managing the gift asset, and the fee revenues that may accrue to the Community Foundation for administering the gift.

#### **VIII. Gifts Declined**

The Community Foundation reserves the right to decline a gift based on:

1. lack of congruency with the Community Foundation's mission;
2. desire of the donor to exert unacceptable conditions or controls over disbursements of the income from the gift;
3. cost of ownership implications related to administration time, management and marketability of the gift;
4. unacceptable risks;
5. gifts that are illegal; and
6. other factors agreed to by the Board of Directors.

#### **IX. Types of Gifts**

The following types of gifts that would be considered for acceptance are:

- Cash.
- Tangible Personal Property
- Securities
- Closely Held Businesses
- Real Estate
- Remainder Interests Subject to Life Estate
- Retirement Plan Interests
- Oil, Gas, and Mineral Interests
- Intellectual Property Rights
- Bargain Sales
- Life Insurance

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- Charitable Gift Annuities
- Charitable Remainder Trusts
- Charitable Lead Trusts
- Cryptocurrency

The following criteria govern the acceptance of each gift form:

**1) Cash.** Cash is acceptable in any form. Checks shall be made payable to “The Community Foundation of Sarasota County, Inc.” or made payable to “The \_\_\_\_ Fund of the Community Foundation of Sarasota County, Inc.” and shall be delivered to the Community Foundation in care of its administrative offices (2635 Fruitville Road, Sarasota, FL 34237).

- ◆ Cash from Donor-Initiated Fundraising. Donor-initiated fundraising events refer to those public fundraising events conducted by an individual or a non-exempt organization that are intended to raise dollars for the Community Foundation’s component funds. For example, a golf outing, fundraising dinner, or other special event would be considered a public fundraising event. The term is not intended to encompass giving to a Community Foundation solicitation for purely charitable purposes. The Community Foundation is staffed to develop endowment and other funds through acquisition of major and planned gifts and to cultivate new and existing relationships with donors. The Community Foundation is not equipped to operate donor-initiated or public fundraising events for its component funds that rely upon the use of the Community Foundation’s tax-exempt status in order to offer contributors a charitable tax deduction for their participation. The Community Foundation is held accountable for meeting all federal, state, and local legal requirements for charitable solicitations related to Fund of the Community Foundation. It cannot delegate this responsibility to any other parties. A separate policy has been developed by the Board of Directors to address these kinds of activities and interested parties should request a copy of the Donor Initiated Fundraising Policy.

**2) Tangible Personal Property.** All other gifts of tangible personal property shall be examined in light of the following criteria:

- Does the property fulfill the mission of the Community Foundation?
- Is the property marketable?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?
- Can the property be sold easily?
- Are there costs associated with transportation, storage, selling, maintenance and repair for the property?

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The Gift Acceptance Committee will make the final determination on the acceptance of other tangible property gifts.

**3) Securities.** The Community Foundation can accept both publicly traded securities and closely held securities.

- **Publicly Traded Securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or trust companies, commercial banks or delivered physically with the transferor's stock power attached. As a rule, all marketable securities will be sold upon receipt unless otherwise directed by the Investment Committee. In some cases applicable securities laws may restrict marketable securities. In such instance, the Gift Acceptance Committee shall make the final determination on the acceptance of the restricted securities.

**4) Closely Held Businesses.** Closely held securities (both C-corporation and S-corporation stock), which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies or other ownership forms, can be accepted subject to the approval of the Gift Acceptance Committee. However, gifts must be reviewed prior to acceptance to determine:

- There are no restrictions on the security that would prevent the Community Foundation from ultimately converting those assets to cash;
- The security is marketable; and
- The security will not generate any undesirable tax consequences for the Community Foundation.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The Gift Acceptance Committee and outside legal counsel shall make the final determination on the acceptance of closely held securities. Every effort will be made to sell closely held securities as quickly as possible. If not immediately marketable, the stock will be kept in the safe deposit box until they can be redeemed.

The Community Foundation Trust of Sarasota County may be used for the tax-favored acceptance of S-corporation stock.

The Community Foundation does not accept gifts of general partnership interests. Prior to approval of gifts of any other limited partnership interests or interests in an LLC, all relevant partnership and LLC agreements will be reviewed the Community Foundation's Corporate Counsel with particular attention given to the activity of the partnership/LLC and how

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allocations are made. Further, the underlying assets and liabilities of the partnership/LLC will be reviewed.

The Community Foundation will not accept any gift of an interest in a business enterprise for a donor advised fund that would subject the Foundation to tax under section 4943 of the Internal Revenue Code, if such gift would be considered “excess business holdings.” The Community Foundation places a limitation on accepting gifts of assets (e.g., gifts of stock in closely-held C corporations, S corporation, and limited partnership interests) to a donor advised fund. When the aggregation of assets held by a donor advised fund, donor advisor, donor advisors, and related parties exceeds approximately 20% of the voting stock or profit interest in the business entity, the Community Foundation will divest excess holdings of the donor advised fund within 5 years.

**5) Real Estate.** Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, the Community Foundation shall require an initial environmental review of the property to ensure that the property has no environmental damage. Environmental inspection forms are attached as an appendix to this document. In the event the initial inspection reveals a potential problem, the Community Foundation shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor, although the Community Foundation will consider such expense at the advice of the Gift Acceptance Committee. When appropriate, a title binder shall be obtained by the Community Foundation prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor. Prior to acceptance of the real property, the gift shall be approved by the Gift Acceptance Committee of the Community Foundation and by the Community Foundation’s Corporate Counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of the Community Foundation?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit, if required, reflect that the property is not damaged?

**6) Remainder Interest Subject to Life Estate.** Donors can receive a sizable charitable income tax deduction by making a gift to the Foundation of their personal residence or farm while retaining full use and rights to the property during their lifetime. (The donor retains a “life estate” and the Foundation receives the “remainder interest”.) The gift is created by transferring a warranty

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deed to the Foundation, which reserves a “life estate” for the life of the donor, or his or her designees.

Donors must sign a “Life Estate Agreement” with the Foundation, the remainderman of the life estate, to clarify their responsibility for property repairs, taxes, insurance and other expenses. Donors are encouraged to have all documents reviewed by their own attorneys. All the normal review and gift acceptance procedures for gifts of real estate apply to gifts of life estate/remainder interest deeds.

A remainder interest in a life estate may also come via a donor’s last will and testament, a Granted Life Estate. In this circumstance, the donor designates the Foundation as the remainderman subject to a life estate granted to another individual or individuals. At the death of the donor, the Community Foundation may use the property or reduce it to cash. Where the Community Foundation receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary.

- 7) **Retirement Plan Assets.** The Community Foundation may accept account type retirement plans, in which a balance accumulates as principal, such as IRAs, 401(k), 403(b), and defined contribution plans. However, the Community Foundation cannot accept annuity plans, such as defined benefit plans, in which retirement benefits are paid out as income and principal does not accumulate, without the approval of the Gift Acceptance Committee. The Community Foundation prefers to obtain a copy of the document naming the Community Foundation as beneficiary for its files.
- 8) **Oil, Gas, and Mineral Interests.** The Community Foundation may accept oil, gas, and mineral interests, when appropriate. Prior to acceptance of such interests, the gift shall be approved by the Gift Acceptance Committee, and if necessary, by the Community Foundation’s outside legal counsel. Criteria for acceptance of the property shall include:
  - Gifts of surface rights should have a value of \$20,000 or greater.
  - Gifts of oil, gas, and mineral interests should generate net income of at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
  - The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
  - A working interest is rarely accepted. A working interest may only be accepted when there is a plan to minimize potential liability and tax consequences.
  - The property should undergo an environmental review to ensure that there is no current or potential exposure to environmental liability.
- 9) **Intellectual Property Rights.** The Community Foundation may accept gifts of royalties or distribution rights on published works (such as books or films) where there is clear evidence of



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marketability or assurance of an income stream. The Gift Acceptance Committee will determine whether such a gift should be accepted after receiving a qualified appraisal, the cost of which shall generally be borne by the donor. The Community Foundation generally will not be responsible for the costs of publishing or reproducing intellectual property that do not have established profitable markets.

**10) Bargain Sales.** The Community Foundation will enter into a bargain sale arrangement in instances only when it furthers the mission and purposes of the Community Foundation. All bargain sales must be reviewed and approved by the Gift Acceptance Committee. Factors used in determining the appropriateness of the transaction include:

- Obtaining an independent appraisal to substantiate the value of the property.
- Determining that if the Community Foundation assumes debt with the property, the debt ratio is less than 50% of the appraised market value.
- Determining that there is a market for sale of the property.
- Calculating the costs to safeguard, insure, and maintaining the property (including property tax, if applicable) during the holding period.

**11) Life Insurance.** The Community Foundation must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value (generally equal to the cash surrender value) at the time of receipt. If the donor contributes future premium payments, the Community Foundation will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the Community Foundation may:

- Continue to pay the premiums;
- Convert the policy to paid up insurance;
- Surrender the policy for its current cash value
- Sell the policy on a secondary market

The Community Foundation discourages the contributions of life insurance policies subject to policy loans and reserves the right to accept or reject such policies as well as those carrying assignments to other entities. The Community Foundation will consider its own interest and the best interest of the donor in the light of tax ramifications in determining on a case-by-case basis the acceptability of encumbered life insurance policies. Particular care will be given to problems of self-dealing, jeopardy investments, and unrelated business income in this regard.

**12) Charitable Gift Annuities.** The Community Foundation may offer charitable gift annuities. Gift annuity rates will be based on the current gift annuity rates in force as adopted by the American

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Council on Gift Annuities. The minimum gift for funding is \$100,000 and minimum age for income beneficiary is 60. No more than two life income beneficiaries will be permitted for any gift annuity. Annuity payments are normally made on a quarterly schedule, although the Community Foundation President & CEO may approve exceptions to this payment schedule. There is a separate Gift Annuity Policy and Procedure.

Property accepted for Charitable Gift Annuities include cash and publicly traded securities. Closely held securities, real estate, tangible personal property and other illiquid property will be reviewed for acceptability and approved by the Gift Acceptance Committee. Valuation, liquidity, carrying and disposal costs may require the Foundation to require a Deferred/Flexible Charitable Gift Annuity or a lower than ACGA payout rate to compensate for risk and costs. Annuity agreements shall be written in conformity with the insurance code and regulations as required by the State of Florida and invested in accordance with that code and regulations.

**13) Charitable Remainder Trusts.** The Community Foundation may accept designation as remainder beneficiary of a charitable remainder trust at any time without the approval of the Gift Acceptance Committee. The Community Foundation may accept appointment as trustee of a charitable remainder trust only under the following conditions:

- a. That these trusts be small enough so that the Community Foundation does not compete with professional trustees, but rather enhances the mission of local trust companies. Limits for these trusts would generally be between \$100,000 and \$500,000.
- b. That the Community Foundation has at least a 75% beneficial interest as the remainderman of these trusts.
- c. That the Community Foundation generally does not accept real estate or interests in limited partnerships as the sole assets for the creation of these trusts.
- d. That the Gift Acceptance Committee accepts the trust only after thorough review of the proposed trust by the Corporate Counsel of the Community Foundation.
- e. If such trusteeship is accepted, the Community Foundation may serve directly as trustee *or* appoint a trustee. For example, the Community Foundation may contract with a trust company as its agent, paying the same fees as it may normally receive as a trustee.

**14) Charitable Lead Trusts.** The Community Foundation may accept a designation as income beneficiary of a charitable lead trust at any time. However, the Board of Directors of the Community Foundation will not accept an appointment as trustee of a charitable lead trust.

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**15) Cryptocurrency.** The Community Foundation may accept cryptocurrencies, such as Bitcoin, provided only if the asset can be transferred and liquidated immediately upon receipt. If the value of the cryptocurrency gift exceeds \$5,000, the donor must obtain a qualified appraisal at the donor's expense and submit it to the IRS on Form 8283.

## **X. Types of Funds**

A donor can establish any of the following types of funds within the Community Foundation. Exceptions to these Types of Funds can be made only through the consent of the Gift Acceptance Committee:

1. **Unrestricted Funds** – These funds are broadly discretionary to the Board of Directors of the Community Foundation and are able to meet pressing needs in the community as they arise in all sectors of society.
2. **Field of Interest Funds** – These funds are broadly discretionary to the Board of Directors of the Community Foundation in specific areas of charitable need, such as education, health and human services, arts, animal protection, the environment, etc. The Board of Directors makes specific grants to individuals, programs or services that meet these specific needs.
3. **Restricted Funds** – These funds are restricted to support specific charitable organizations.
4. **Agency or Grantee Endowments** – These funds are created by a qualified nonprofit organization to help build endowment funds that support one or more aspects of their organization.
5. **Donor Advised Funds** – These funds are created and are broadly discretionary to the Board of Directors of the Community Foundation, but the input and advice from donors is sought in the distribution of grants from the Fund. In many cases, the Community Foundation provides suggestions to donors on specific needs in the community. All grantee recommendations by donors are investigated and vetted. The Community Foundation will adhere to all procedures developed by the Internal Revenue Service with regard to the administration of donor advised funds.
6. **Scholarship Funds** – These funds are created and are broadly discretionary to the Board of Directors of the Community Foundation. Applications for scholarships are received and processed by the Community Foundation. However, advisory committees may be created at the discretion of the Community Foundation staff to review applications and recommend recipients to the Board of Directors for approval. Scholarship funds can be created to recognize outstanding achievement, support a particular field of study, focus on

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students with financial need, assist a college or university of the Donor's choice, or make awards to a specific geographic area or high school.

7. **Affiliate Funds** – These funds may be accepted by the Community Foundation and are restricted for the support of a particular geographic or affiliated organizations or relationships that may exist from time to time with the Community Foundation.
8. **Special Project Funds** -- These may include funds accepted for broad general purposes that enhance or support the community in some manner. The Community Foundation will consider these special project funds on a case by case basis.
9. **Supporting Organizations** – Donors may establish supporting organizations as independently incorporated tax-exempt nonprofit organizations with separate governance. A supporting organization is a grantmaking organization that avoids private foundation status by being operated, supervised, controlled by, or in connection with the Community Foundation. This requirement can be met in part if the Board of Directors of the Community Foundation appoints a majority of the board of directors of the supporting organization.

#### **XI. Minimum Amount to Create a New Fund**

While all contributions may be accepted by the Community Foundation, the Board of Directors of the Community Foundation has designated the following amounts as general minimums needed to create a Named Fund –held by the Community Foundation, however, exceptions may be approved by the President/CEO of the Foundation:

1. Unrestricted \$10,000
2. Field of Interest \$10,000
3. Restricted Fund \$10,000
4. Agency or Grantee Endowment Fund \$10,000
5. Donor Advised Fund \$100
6. Endowed Scholarship Funds \$50,000
7. Supporting Organization \$1 million
8. Affiliate Fund – Will depend on the type and nature of the fund as above
9. Special Project Fund – Minimums will be determined by the Gift Acceptance Committee when such a fund is approved.

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## **XII. Donor Acknowledgement**

All gifts to the Community Foundation will be acknowledged regardless of the amount of the gift, unless specifically authorized by the Gift Acceptance Committee and then in strict conformity to Internal Revenue Service Guidelines. And an ongoing master list of named gifts will be maintained by the Community Foundation.

## **XIII. Confidentiality of Gifts**

All information concerning donors and prospective donors shall be held in strict confidence by the Community Foundation, its Board, and Staff in accordance with the Community Foundation's Policy on Confidentiality. A Donor Privacy Policy is also maintained on file.

## **XIV. Miscellaneous Provisions**

- 1) **Securing appraisals and legal fees for gifts.** Costs for appraisals and/or legal fees will generally be borne by the donor, although in exceptional situations and with the advice of the Gift Acceptance Committee, such costs may be borne by the Community Foundation.
- 2) **Valuation of gifts.** The Community Foundation will record a gift received by the Community Foundation at its current market valuation for gift purposes on the date of the gift.
- 3) **Responsibility for IRS Filings upon sale of gift items.** The Chief Financial Officer of the Community Foundation is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Community Foundation when the charitable deduction value of the item is more than \$5,000. The form must be filed within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to these policies. Acknowledgement of all gifts made to the Community Foundation and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the Board of Directors of the Community Foundation. IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions* shall be reviewed and followed.

## **XV. Changes to Gift Acceptance Policies**

These policies and guidelines have been reviewed and accepted by the Board of Directors of the Community Foundation. The Board of Directors must approve any changes to, or deviations from, these policies.

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Approved on the 2<sup>nd</sup> day of December, 2022.



Daniel DeLeo, Chairman, Board of Directors,  
Community Foundation of Sarasota County, Inc.

### Exhibits

- A. *Model Standards of Practice of the Charitable Gift Planner*
- B. Environmental Review Forms
- C. Documents To Obtain When Accepting a Gift of Real Estate

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**EXHIBIT A**  
**MODEL STANDARDS OF PRACTICE**  
**FOR THE ESTATE PLANNER**

**Preamble**

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent.

This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and as such often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

**I. Primacy of Philanthropic Motivation**

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

**II. Explanation of Tax Implications**

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

**III. Full Disclosure**

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by who each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

**IV. Compensation**

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Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finders fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

## **V. Competence and Professionalism**

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

## **VI. Consultation with Independent Advisers**

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor's choice.

## **VII. Consultation with Charities**

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor, early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

## **VIII. Description and Representation of Gift**

The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

## **IX. Full Compliance**

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations



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## **X. Public Trust**

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

*Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.*

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## EXHIBIT B

### ENVIRONMENTAL INTERVIEW FOR GIFTS OF REAL ESTATE TO THE COMMUNITY FOUNDATION OF SARASOTA COUNTY

This interview is designed for use with current and/or prior owners or managers of the property.

Date of Interview \_\_\_\_\_ Interviewer \_\_\_\_\_

Person Interviewed \_\_\_\_\_ Relation to Property \_\_\_\_\_

Property Description \_\_\_\_\_

\_\_\_\_\_

Type of Property: Agricultural \_\_\_\_\_ Timber \_\_\_\_\_

Commercial \_\_\_\_\_ Manufacturing \_\_\_\_\_

Age of Buildings \_\_\_\_\_ Undeveloped Land \_\_\_\_\_

Residential \_\_\_\_\_ Other \_\_\_\_\_

Indicate prior uses of property. \_\_\_\_\_

1) Are you aware of any environmentally sensitive situations on the property? No \_\_\_ Yes \_\_\_

Describe: \_\_\_\_\_

\_\_\_\_\_

2) For uses identified in question 1, has an environmental license or permit ever been issued?

No \_\_\_\_\_ Yes \_\_\_\_\_

3) Are there any oil, fuel, or chemical storage tanks on the property located above or below ground? \_\_\_ No \_\_\_ Yes

4) Has an environmental assessment been previously conducted?

No \_\_\_\_\_ Yes \_\_\_\_\_ If yes, provide a copy of the report.

5) If available, attach maps or surveys that describe the property to this questionnaire.

attached \_\_\_\_\_ none available \_\_\_\_\_

If you are unable to furnish the information requested above, please advise us if there is a reliable source that may be able to furnish this information.

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**EXHIBIT C**  
**COMMUNITY FOUNDATION OF SARASOTA COUNTY**  
**DOCUMENTS TO OBTAIN**  
**WHEN ACCEPTING A GIFT OF REAL ESTATE**

**Date Received:**

**Title Opinion:**

*Donor should be asked to supply*

\_\_\_\_\_

**Appraisal:**

*Must be ordered, paid for and submitted within 60 days of deed delivery.*

\_\_\_\_\_

**Deed:**

*Shows hot title is vested and is used to prepare the title transfer.*

\_\_\_\_\_

**Property Tax Bill:**

*Shows assessed value of land, improvements, actual tax and any assessments.*

\_\_\_\_\_

**Income/Expense Pro Forma For Three-Year Period:**

*If commercial income-producing property.*

\_\_\_\_\_

**Association Agreement:**

*Ownership rights and responsibilities of some properties, primarily residential or condominiums, are governed by an owners association. The agreement should include fees or assessments, together with a statement showing the condition of any reserve fund for deferred maintenance.*

\_\_\_\_\_

**Conditions, Covenants and Restrictions:**

*Conditions, covenants and restrictions are required of most subdivisions. A copy of these will show how the property may be used and what Restrictions may apply.*

\_\_\_\_\_

**Lease or Rental Agreements:**

*If the property is leased or rented to others, a copy of each rental agreement should be obtained showing the terms of the agreement, term of rental, deposits, etc.*

\_\_\_\_\_

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**Notes and Trust Deeds or Mortgages:**

*If the property is leased or rented to others, a copy of each rental agreement should be obtained showing the terms of the agreement, term of rental, deposits, etc.*

**Current Mortgage Statement:**

*Will show the current status of a loan and will be helpful in identifying and discussing the loan with the lender*

\_\_\_\_\_

**Insurance Policy:**

*Will verify cost of Insurance and provide information for the Community Foundation to transfer insurance, if desired, after gift is made.*

\_\_\_\_\_

**Plot Map/Property Line:**

*This indicates location of property and is an important step in acquiring much of the information for gift analysis.*

\_\_\_\_\_

**Inspection Reports:**

*Where inspection reports are available from previous activity related to the property, such as a Code Officers, inspection reports or structural assessment reports by an engineer.*

\_\_\_\_\_

**Fund Agreement:**

*Outline of Donor's charitable interest.*

\_\_\_\_\_

**Donor/Donee Transfer Agreement:**

*Must use the Community Foundation's approved agreement form (if appropriate depending on type of gift). The agreement should be drafted with Legal Counsel help to meet the needs of each gift.*

\_\_\_\_\_