

## **GIFT ACCEPTANCE POLICIES**

### **1. GENERAL PROVISIONS**

The purpose of these gift acceptance policies is to provide guidance to the donor and to protect the public image and financial status of the Monterey Peninsula College Foundation (the “Foundation”) and Monterey Peninsula College (“MPC”). These gift acceptance policies govern all gifts to the Foundation regardless of the form, timing, or manner of a gift.

### **2. DONORS**

#### **2.1 Disclosures to Donors**

The Foundation shall disclose to donors and prospective donors all information that is required by applicable law and such other information as is necessary or advisable to appropriately inform donors and prospective donors with regard to the Foundation and the donation.

#### **2.2 Support of Donors’ Objectives**

Insofar as the Foundation complies with Section 1, to promote gifts to the Foundation, the Foundation will cooperate with donors to accomplish donors’ financial, philanthropic, estate planning, and tax planning objectives. The Foundation shall not accept any gift that obliges perpetual ownership of the gift by the Foundation. The Foundation may accept a gift that is conditioned on the Foundation’s ownership of the gift for a specific period in order to meet a tax-planning objective of the donor.

#### **2.3 Professional Advice**

The Foundation shall encourage all donors and prospective donors to obtain proper financial, legal, and tax advice regarding the appropriateness to their specific situation of a contemplated gift to the Foundation. The Foundation shall not endorse the services of any professional. If a donor or prospective donor requests a referral to a professional, the Foundation may provide a referral to appropriate members of the Foundation’s Professional Resources Committee who have agreed to provide limited assistance to prospective donors at no cost, or the Foundation may provide the requestor with not fewer than three names of practitioners for the donor to consult with at their own cost.

#### **2.4 Professional Fees**

The Foundation may, on a gift-by-gift basis and in the sound discretion of the Board of Directors, pay reasonable fees for professional services rendered to the Foundation directly related to donors’ establishment of gifts to the Foundation. The Foundation will not pay for professional services rendered to donors. Once the Board of Directors authorizes such payment of professional fees with respect to a specific gift, the Executive Director is authorized to negotiate said professional fees. In cases where the Foundation’s payment of professional fees is or might be deemed to reduce the donor’s charitable deduction, the Foundation shall inform the donor of such in writing.

**2.5 Finder's Fees and Commissions**

The Foundation shall not pay any fee or commission to any person as consideration for directing a gift by a donor or prospective donor to the Foundation.

**2.6 General Advice**

Insofar as the Foundation complies with Section 2.3, the Foundation and its agents may discuss with donors and prospective donors gifting strategies and techniques of general applicability. The Foundation may publish and disseminate literature regarding gifting strategies and techniques of general applicability. However, again, the Foundation encourages the donor to seek their own professional advice.

**2.7 Donor Privacy**

Unless directed otherwise by a donor, the Foundation reserves the right to publish the names of all donors and classifying donor names in broad dollar ranges of gifts.

The Foundation shall not include the likeness of a donor in any literature without the respective donor's permission. The Foundation shall not include the name of a donor when associated with a specific gift in any literature without the respective donor's permission. This prohibition does not include the transmission of a donor's personal information to professionals facilitating in a specific gift, to the government upon its request, or to a person acting under a court order.

**2.8 Due Diligence of Donor**

The Foundation shall make an appropriate due diligence investigation of all donors to ensure that 1) the donor has legal title to the property being gifted to the Foundation and 2) the donor has legal capacity and authority to transfer the property as a gift to the Foundation.

**2.9 Negotiation With Donor**

The Foundation authorizes the college President, the Foundation's President, Vice President of Development and Executive Director to negotiate gift planning agreements and arrangements with donors and prospective donors, as well as donor recognition. The Foundation may negotiate a bargain sale with a donor or a prospective donor. In the process of all negotiations, the Foundation may consult with legal counsel as appropriate.

**3. GIFT ACCEPTANCE AND PROCESSING**

**3.1 In General**

The Foundation shall comply with all applicable laws, rules, and regulations. The Foundation shall not accept a gift that would tend to adversely affect the public image of the Foundation or Monterey Peninsula College. The Foundation shall promptly inform the President of Monterey Peninsula College or the President's designated administrator with respect to all gifts, and shall coordinate with the College in reviewing the acceptability of all gifts and, in particular, any restrictions thereon. The Office of the Executive Director

shall process all gifts to the Foundation. All gifts presented otherwise to the Foundation shall be forwarded to the Executive Director for processing. Upon receipt of a gift to the Foundation, the Executive Director shall notify the Board of Directors, or the committee of a Board of Directors.

Prior to acceptance, the Board of Directors, or a committee of the Board of Directors expressly authorized, shall perform all due diligence that is required by these policies and that which is otherwise reasonable regarding a donor and a proposed gift. The Board of Directors, or a committee of the Board of Directors, shall develop a due diligence checklist for gifts of real property, tangible personal property, securities and other intangible personal property, and cash and cash equivalents.

Unless a donor imposes a restriction all gifts will be considered unrestricted. If a donor desires to restrict a gift, as to its use or purpose, then a Letter of Gift will be signed by the donor, the Executive Director and President of the Foundation detailing and acknowledging the restrictions prior to the actual acceptance of the gift. If a donor has passed away, the estate documents will guide the Foundation in realizing the objectives of the gift, if stated. If restrictions are not included in any estate documents, funds would be accepted as unrestricted.

Upon the rejection of a gift by the Board of Directors, the Executive Director shall return the gift to the donor and communicate to the donor that the gift is not accepted by the Foundation and why.

Acceptance of a gift by the Board of Directors, or the committee of the Board of Directors expressly authorized to so act, and the processing of a gift by Executive Director is as below.

### **3.2 Gifts of Real Property**

The Foundation shall not accept a gift of real property unless the specific property can further the mission of the Foundation or Monterey Peninsula College or is readily saleable. The Foundation cannot accept a gift of real property to fund a charitable gift annuity. The Foundation shall not accept a gift of real property that does or is likely to generate disproportionate risks, costs, obligations, or encumbrances relative to the benefit received by the Foundation. The due diligence checklist for gifts of real property shall include, but is not limited to, a report by a licensed real estate broker or salesperson as to the marketability of the property, a title report, an insurance evaluation, and an environmental study. Subsequent liquidation of all gifts of real property is governed by the Foundation's investment policies.

Once accepted, the Executive Director shall take all necessary steps to obtain formal legal title in the name of the Foundation of all such gifts. The Executive Director shall take all necessary steps to obtain property/casualty and liability insurance for gifts of real property.

### **3.3 Gifts of Tangible Personal Property**

The Foundation shall not accept a gift of tangible personal property unless the specific property can further the mission of the Foundation or Monterey Peninsula College, or is readily marketable. The due diligence checklist for gifts of tangible personal property shall include, but is not limited to, a report by an appropriate professional as to the marketability of the property and a fair market value appraisal. For personal property for use by the college, the Foundation will confer with the appropriate department(s) for need. Subsequent liquidation of all gifts of tangible property is governed by the Foundation's investment policies.

Upon acceptance, if ownership of tangible personal property is held via a formal legal title, the Executive Director shall take all necessary steps to obtain formal legal title in the name of the Foundation of all such gifts. The Executive Director shall coordinate the physical transfer and appropriate storage of all tangible personal property gifted to the Foundation. The Executive Director shall consult with the Board of Directors regarding the appropriateness of property/casualty and liability insurance for gifts of tangible personal property. The Foundation cannot pay for an appraisal for the donor's tax purposes.

### **3.4 Gifts of Securities and Other Intangible Personal Property**

The Foundation may accept a gift of securities or other intangible personal property whether or not the property is readily marketable. A gift of other intangible personal property includes, but is not limited to, a gift via a charitable remainder trust, a charitable lead trust, a charitable gift annuity, a commercial annuity, or a life insurance policy. With regard to commercial annuities and life insurance policies, the Foundation does not endorse and shall not recommend any provider or salesperson.

The due diligence checklist for gifts of securities and other intangible personal property shall include, but is not limited to, a report by an appropriate professional as to likelihood that the Foundation would be subject to either 1) a capital call or 2) the incurring of unrelated business taxable income. Subsequent liquidation of all gifts of securities and other intangible property is governed by the Foundation's investment policies.

Upon acceptance, if ownership of securities and other intangible personal property is held via a formal legal title, the Executive Director shall take all necessary steps to obtain formal legal title in the name of the Foundation of all such gifts. The Executive Director shall deposit the gift into an investment account titled to the Foundation as directed under the Foundation's investment policies. The Executive Director shall 1) document the Foundation's ownership of all intangible personal property, 2) monitor the enforcement of all ownership rights of such, and 3) advise the Board of Directors on the status of ownership and the enforcement of all ownership rights of such.

**3.5 Gifts of Cash and Cash Equivalents**

Upon acceptance, the Executive Director shall 1) deposit the gift into a bank or investment account titled to the Foundation as directed by the letter of gift or as directed under the Foundation's investment policies.

**3.6 Deferred Gifts and Gifts of Expectancies and Future Interests**

The Foundation will perform due diligence on a deferred gift and an expectancy upon its maturing. The Foundation will perform due diligence of a future interest upon its granting. The Foundation will perform the due diligence appropriate to the property type of the gift.

Upon acceptance, if ownership of a matured expectancy or future interest is held via a formal legal title, the Executive Director shall take all necessary steps to obtain formal legal title in the name of the Foundation of all such gifts. The Executive Director shall 1) document the Foundation's matured and unmatured expectancies and ownership of all future interests, 2) monitor the enforcement of all matured expectancies and ownership rights in future interests, and 3) advise the Board of Directors on the status of expectancies and ownership of future interests and the enforcement of the same.

**3.7 Gifts That Fund Certain Instruments**

In addition to all of the foregoing procedures, upon acceptance, the Executive Director shall take all necessary steps to obtain a donor's cost basis in gifted property that funds charitable remainder trusts, charitable gift annuities, and similar instruments.

**3.8 Receipt to Donor**

Upon acceptance, the Executive Director shall promptly prepare and send to the donor a receipt for the gift. For gifts of cash and cash equivalents, the Executive Director shall identify the amount given. For gifts other than cash and cash equivalents, the Foundation cannot provide the donor with valuation of the gift; the Executive Director shall advise the donor to consult with his or her own professional advisors to determine the value of the gift.

**4. COMPLIANCE**

The Foundation cannot accept a gift that is not in conformance with these policies whether due to form, timing, manner, restrictions imposed, or the nature of the specific gift. The Foundation cannot accept a gift that does or is likely to generate disproportionate risks, costs, obligations, or encumbrances relative to the benefit received by the Foundation. The Board of Directors or a committee of the Board of Directors expressly authorized to so act may, in its sound discretion, refuse to accept any gift to the Foundation.

**MONTEREY PENINSULA COLLEGE FOUNDATION  
GIFT ACCEPTANCE POLICIES, continued**

The Foundation's Executive Director is responsible to the Board of Directors for the Foundation's compliance with these policies.

The Foundation's Vice President of Development is responsible to the Board of Directors for performing a biennial review of these policies in odd years on or before December 30<sup>th</sup>.

These policies are hereby approved.

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President, Board of Directors  
Monterey Peninsula College Foundation

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Date