



Gift Acceptance Policy

1. Mission of the Eager Free Public Library

The Eager Free Public Library opens doors for curious minds by encouraging literacy, inspiring learning, and connecting people.

2. Gifts to the Eager Free Public Library

Gifts to the Eager Free Public Library (EFPL) are tax deductible to the fullest extent of the law. Gifts are an essential part of meeting the continued and diverse needs of the Eager Free Public Library's patrons. Gift funds will not be commingled with taxpayer funds provided for operational support of the Library. The Eager Free gift funds shall remain separate and distinct from any other source of revenue received by the Library.

The Eager Free Public Library is governed by a volunteer Board of Trustees. This Board has responsibility for the organization's financial giving process along with related management and reporting requirements. The Board Treasurer is bonded and shall be authorized to assist with negotiations and sign donor gifting agreements.

The IRS requires donors to submit Form 8283 for gifts of property valued at more than \$500 (single or in the aggregate) for which a charitable deduction is sought. In addition, for items valued at more than \$5,000, IRS requires that "Qualified Appraisals" be obtained if the donor wishes to take a tax deduction for the value of the gift. The Eager Free Public Library requires the donor to place a value on gifts of property, in conjunction with his or her own tax advisor or attorney. The Library does not place value on gifts of property. Donors of gifts valued at more than \$500 are required to complete an Eager Free Public Library gift form.

3. Purpose of Gift Acceptance Policy

The purpose of these guidelines is to govern acceptance of charitable gifts and provide guidance to donors and their professional advisors in completing gifts. Gift funds collected by the EFPL are subject to this policy along with a separate *Fiscal Accountability and Investment of Gift Funds Policy*. Donors are encouraged to consult their own legal and/or tax advisors to ensure an independent evaluation of a proposed gift.

The Board of Trustees reserves the right to seek legal counsel before acceptance of a gift. Establishment and governance of all gift plans and receipts shall be in accordance with and subject to the laws of the United States and the State of Wisconsin, together with applicable regulations and rulings promulgated or pronounced by the Internal Revenue Service and the policies of the Board of Trustees of the Eager Free Public Library.

4. Restrictions

Donations for unrestricted, general purposes are encouraged due to the flexibility they provide in meeting the Library's greatest needs.

Gifts subject to donor restrictions, directives, or expenditure requirements may be accepted when consistent with the Library's mission and priorities, and not burdensome to administer. Gifts may be declined if subject to unacceptable requirements. Once a gift is accepted, any directives or restrictions imposed by the donor(s) will be honored by EFPL to maintain the intent of the donor(s).

Named Gifts: A contribution in a spendable or pledged amount of \$5,000, or an endowed fund of \$15,000 or more, may be placed into a named gift fund and will be used for the purposes intended by the donor, after review and approval by the Board of Trustees.

The Board of Trustees and Library Director will evaluate gifts on a case-by-case basis. The Board of Trustees has final determination on acceptability of gifts.

Gifts to a Capital Campaign

All gifts to a capital campaign will be recognized as such. Gifts of \$1,000 or more can be pledged over 5 years. Gifts of \$5,000 and more can be used to name a specific section of the Library is available. These naming rights are subject to the approval of the Library Board of Trustees and the City of Evansville.

5. Donor Relations

Eager Free Public Library serves the interests of donors to make financial gifts by:

- Maintaining the donor's goal as the primary concern and the cornerstone of the plan and execution of the gift, subject to applicable conditions.
- Encouraging donors to seek independent professional counsel and representation in making the gift and insist that donors acquire such counsel and representation should a donor have general or specific questions.
- Cooperating with donors and their professional counsel in the exploration of opportunities, costs and alternatives surrounding financial giving decisions to assure the goals of the donor relations policy are achieved.
- Maintaining donor confidentiality throughout the entire giving process. Pertinent information will be shared to the extent that is necessary with professional counsel, Eager Free Public Library staff and officers. Information which is not of public record will not be made public without the express written permission of the donor.

6. Donations

Donations of money, real property, library books or other materials, equipment, or services to EFPL may be accepted when such a gift or its acceptance:

1. Contributes to the achievement of the EFPL Strategic Plan.
2. Does not conflict with EFPL policies.
3. Does not impose any restriction on EFPL as a condition of donation, unless such restriction is formally accepted by EFPL Board action.
4. May be used or disposed of at the discretion of EFPL, unless otherwise mutually agreed to by the donor and the EFPL Board at the time of the donation.
5. Does not result in excessive expense, risk of expense, or administrative effort, as determined in the sole discretion of the EFPL Board.

7. Types of Gifts

A. Cash

Gifts in the form of cash, check, or credit card will be accepted. Checks should be made payable to the “Eager Free Public Library.”

B. Securities

The Eager Free Public Library will accept donations of shares of stock of corporations or limited partnership interests only if EFPL has received appropriate assurances that such assets can be liquidated, and will be done so as quickly as possible.

Publicly Traded Securities:

Unless otherwise directed by Board of Trustees, all marketable securities will be sold upon receipt to benefit the Library.

Closely held securities:

As a general rule, the Library will not accept securities that are not publicly traded. However, the Board of Trustees may, in its sole discretion, choose to do so after a recommendation by the Treasurer.

C. Tangible Personal Property and Intangible Personal Property

Tangible personal property includes books, historical documents, art, furniture, jewelry, collections or any other personal property owned by a donor.

Tangible Personal Property: All gifts of tangible personal property shall have no undue restrictions on the use, display, or immediate or subsequent sale by the Library. Books and other library materials that are not added to the collection may be sold, offered to other libraries, or otherwise disposed of at the Library’s discretion. Donors may consult with the Library Director for more information on library materials.

Intangible Personal Property: This includes intellectual property, royalties, contracts, and promissory notes. These may be accepted with evidence of marketability or an income stream. A qualified appraisal may be required.

See notes on property above in: 2. Gifts to the Eager Free Public Library.

D. Charitable Remainder and Charitable Lead Trusts

Distributions shall be made in accordance with the donor's intent with respect to trusts having assets in excess of \$10,000, subject to the approval of the Board. The Library shall not act as personal representative or trustee. Donors should select an outside institutional trustee, such as a bank, to name the Eager Free Public Library as the sole or primary charitable beneficiary. The charitable beneficiary of the trust, namely Eager Free Public Library, cannot be changed during the term of the trust.

E. Real Estate

The Eager Free Public Library may accept real estate under certain circumstances, but reserves the right to decline. The Eager Free Public Library will accept gifts of real estate if a buyer for that real estate has been identified and that buyer is prepared to enter into a contract for the purchase of the real estate, subject to EFPL acquiring title and the buyer furnishing a satisfactory Environmental Impact Statement; or EFPL has received appropriate assurances that such assets can be liquidated with a time frame and expenses acceptable to EFPL. The buyer or donor would assume costs associated with the real estate transaction. The Board of Trustees reserves the right to inspect any potential gift of real estate.

Retained Life Estate: A letter of agreement will be required for the enactment of a retained life estate agreement. Unless otherwise stated, the donor will be responsible for payment of taxes, capital repairs, maintenance, insurance, and other fees related to the donated property. The paragraphs above regarding real estate gifts also apply here.

Bargain Sales: Bargain sales of real estate (i.e., transfer of property to EFPL at less than fair market value) are subject to the same policies governing all other financial gifts and gifts of real estate.

F. Testamentary Gifts: Bequests, Wills, or Trusts

Donors are encouraged to name the Eager Free Public Library as beneficiary in their wills or trusts and are also encouraged to make unrestricted bequests. Bequests should be specified to "Eager Free Public Library, 39 West Main Street, Evansville, Wisconsin 53536."

The Eager Free Public Library shall accept testamentary gifts either made outright or through trusts. Any gifts made to the Eager Free Public Library through a trust

mechanism shall follow the policies set forth herein. All outright testamentary gifts to the EFPL shall be invested as part of its gift fund (either general or designated) in accordance with the investment policies set forth herein and used to further the terms and provisions of such gift. Any individual intending to make a testamentary gift to the Eager Free Public Library may be asked to execute a non-binding Intent to make Testamentary Gift for the records of the Eager Free Public Library.

G. Life Insurance

Donors are encouraged to name the Eager Free Public Library as beneficiary or contingent beneficiary of their life insurance policies.

The Eager Free Public Library may accept the irrevocable transfer (ownership) of whole life insurance policies where it is named as beneficiary of 100% of the policy. EFPL shall not accept ownership of term life insurance or gifts of life insurance encumbered by loans against them.

The Board of Trustees may chose to convert the policy to a paid up policy, which will capture its value on the date of the gift; exchange the policy for its cash value; or sell the policy to a viatical company which buys policies when the insured is 65 years of age or older and may pay more than the cash surrender value.

H. Retirement Plan Beneficiary Designations

Donors are encouraged to name the Eager Free Public Library as beneficiary of their qualified retirement plans and IRAs. Such gifts will not be recorded until they become irrevocable and will be valued as of that date.

I. Charitable Gift Annuities

A charitable gift annuity is a way to make a gift to the Eager Free Public Library and still receive an income for yourself or others. It is a contract under which the Library, in return for a transfer of cash or other property, agrees to pay a fixed sum of money for a period measured by one or two lives.

J. Gifts-In-Kind

The Library welcomes gifts of goods and services that are consistent with the objectives of the Library, its operation, or the improvement of its amenities. The Eager Free Public

Library requires the donor to place a value on gifts-in-kind. The Library does not place value on gifts-in-kind.

K. Additional Gift Options:

The Eager Free Public Library seeks to satisfy the charitable giving needs of all donors and is willing to explore alternative gift options. Gifts which require administrative and financial obligations on the part of the EFPL must be approved by the Board of Trustees.

8. Gift Recognition, Valuation, and Taxes

Thank you letters are sent in response to most donations and are prepared by the Library Director. All forms of donor recognition are subject to Board determination. Receipts as required by IRS rules are also provided.

Donors are generally recognized by name when bestowing gifts to the Library, though the Board respects the preference of donors who wish to remain anonymous, subject to any legal or other requirement for disclosure. However, the identity of all donors must be known by the Library Director and, at the time of the gift, the Board of Trustees. Due to the volume of gifts received, the Library is unable to accommodate requests for bookplates.

In general, donors should consult with their own advisors with respect to determining the value of any non-cash donations. Once a gift is received by the Eager Free Public Library, an appraiser cannot normally be accommodated; therefore, donors considering a tax deduction should have an appraisal prior to making the donation. The Eager Free Public Library reserves the right to secure a current appraisal of any marketable gift property.

In order for Eager Free Public Library to formally credit a donation as part of a gift, an appraisal is required. Appraisals are the responsibility of the donor. The cost of an appraisal may be tax deductible. In accepting an appraisal, Eager Free Public Library is not undertaking to determine that it is a "Qualified Appraisal" as required by the Federal Income Tax Regulation.

9. Records, Retention, Accounting, and Reports

The Library keeps records of donations received. The Treasurer of the Board of Trustees of the Eager Free Public Library shall maintain a master list of all giving agreements and all written expressions of intent to make testamentary gifts to the Library.

The Treasurer shall, on a monthly basis, provide an accounting of the gift accounts to the Board of Trustees. Such accounting shall include a report of the balance of any gift fund accounts as of the first day of the month in which the meeting occurs and the deposits and withdrawals made during the preceding month. The Board of Trustees of the Eager Free Public Library shall then review the accountings and move to approve the status of the gift accounts after satisfactory review thereof.

Federal tax law does not permit donors to dictate or restrict investment decisions with regard to irrevocable gifts. For gifts of \$15,000 or more, the Library may, in its discretion, furnish a year-end account of the gift and its uses, but the gift will not be in a separate identifiable account.

10. Investment Policy

The Trustee of any charitable trust naming the Eager Free Public Library as a beneficiary will have total discretion for the investment of such trust. The Board of Trustees of the Eager Free Public Library shall have total discretion for the investment with respect to outright gifts to the Library. Eager Free has a *Fiscal Accountability and Investment of Gift Funds Policy* defining general guidelines the Library abides by relative to gift accounts it holds.

There are two kinds of ledger accounts established:

- General funds— which consists of all unrestricted contributions
- Designated funds— which consist of donations restricted to one or more programs, or special initiatives of the Eager Free Public Library

Revised and adopted by the Eager Free Public Library Board of Trustees on February 27, 2018.