

## FALMOUTH LAND TRUST GIFT ACCEPTANCE POLICY

This Gift Acceptance Policy is intended for internal use as a guide for the staff and trustees of the Falmouth Land Trust (“FLT” or “the “Trust) in implementing the Trust’s core mission of land conservation. The Trust depends on voluntary and generous gifts from individuals and entities, and intends to be as informative and helpful as possible to all potential donors, but it does not provide tax or legal advice regarding the consequences of any gift of any kind, nor shall any potential or actual donor rely on or treat any communications with the Trust’s staff or trustees as such advice.

### **I. General Principles**

**Mission and Role.** FLT’s mission is to preserve the Town of Falmouth’s (the “Town”) fields, forests, farms, and shorelines for the public benefit, while protecting crucial environmental and ecological features, maintaining historical character, providing ongoing stewardship, and nurturing enjoyment of the land. The Trust provides advisory services to any person or entity regarding conservation of Town lands which fulfill the Trust’s mission, and Trust staff will help facilitate a wide range of donations, including conservation real estate transactions such as the gift or sale of land or easements to FLT or to other organizations with which the Trust cooperates, such as federal, state, or local governments.

**Trust Status; Acceptance Criteria.** FLT is a non-profit tax-exempt 501c(3) organization, a publicly supported charity with a commitment to land conservation for the public good, and a “qualified holder” of conservation easements as defined by the Internal Revenue Code.

**Donor Confidentiality.** FLT honors all donor requests for anonymity. Donor lists are not shared or made public, except in the form of a name-only recognition list organized by giving category and included either in the Trust’s annual report or published as part of a capital fundraising campaign. FLT treats all internal discussions, including those with fundraising consultants and/or volunteer solicitors regarding donors and prospects, as confidential, whether or not a donation is ultimately received. With donor permission FLT may use donor-approved information for testimonial purposes.

**Conflicts of Interest; Legal Counsel.** Any proposed contribution that in the judgment of FLT’s Executive Director or the Chair of FLT’s Development Committee could result in an actual or perceived conflict of interest shall be disclosed to the President of FLT’s Board of Trustees (the “Board”), or the Board Vice President if the conflict involves the Board President. In such case the protocol set forth in the Trust’s Policy regarding Conflicts of Interest and Confidentiality shall govern. After consultation with legal counsel, if the Board deems such appropriate, the Board shall make the final decision regarding the acceptance any such contribution. In addition to conflicts issues, the Board may also deem it advisable to consult legal counsel with respect to gifts involving a proposed contract between the donor and FLT, or closely-held stock.

**Declination of Gifts.** FLT may decline any gift which it determines in its sole judgment 1) may conflict with or be beyond the scope of FLT’s mission; 2) may create burdensome stewardship difficulties or expense; or otherwise 3) presents a real or perceived violation of this Gift Acceptance Policy or the Trust’s Conflicts of Interest Policy. This right to decline gifts applies to both Lifetime and Planned Giving gifts.

## **II. Lifetime Gifts (effective at the time of the gift)**

### **A. Gifts of Intangibles**

**1. Unrestricted.** Without advance FLT review, the Trust may accept:

- Cash in the form of US currency or checks/credit or debit card or wire transfer made payable to “The Falmouth Land Trust”;
- Securities publicly traded on a US stock exchange. Staff shall provide delivery or transfer instructions to the donor, shall inform the donor that FLT reserves the right to hold or sell any such security as it deems appropriate, and shall provide the donor with an IRS-compliant receipt for donated securities, including a statement of value; and
- In-kind contributions, such as services, equipment, and goods that support the Trust’s general operations (marketing, office maintenance etc.) or special fundraising events. FLT shall provide the donor with a written receipt for donated equipment and goods but shall not attribute a value. If requested by the donor, FLT shall provide a letter acknowledging donation of services, but shall not attribute a value.

**2. Restricted.** Generally FLT encourages gifts for unrestricted operational purposes. If a donor prefers to restrict the purpose or operation of a gift, the Board shall determine whether the Trust can or wants to comply with the proposed restriction; if so, the Board must approve acceptance of the gift.

If however FLT solicits gifts for a restricted use, such as a land acquisition funding campaign, stewardship, education, or new programming, and in response to such solicitation donors make gifts in the form of cash or publicly traded securities, such gifts do not require Board approval.

## **B. Gifts of Tangible Personal Property; FLT Advance Review**

Tangible personal property includes but is not limited to such items as art, furniture, collections, livestock, jewelry, equipment automobiles, and boats. The Board must approve acceptance of such gifts, based on evaluation of the extent to which the property is related to the Trust's mission, its marketability and value, any proposed restrictions on use, feasibility of display or sale of item, and carrying costs such as storage and insurance.

## **C. Gifts of Real Property**

Gifts of interests in real property are at the heart of the Trust's mission, and require advance review by FLT's Executive Committee who will evaluate and then make a recommendation to the Board which makes final decision regarding acceptance. FLT staff shall advise donors early in the donation process that all proposed real property gifts (fee, easement, remainder interests, bargain sales) will be subject to such advance review and approval, as well as applicable law and generally accepted land trust standards and practices.

Also early in the donation process, FLT shall explicitly advise any prospective donor that the Trust does not provide legal or financial advice, and that the donor must consult independent legal, appraisal, financial, and tax professionals for advice on issues such as, but not limited to, valuation of the gift, timing of appraisal and qualification of appraiser, IRS regulations applicable to gifts of land valued in excess of \$500,000, income or estate tax benefits, and required documentation of the gift.

The Trust shall require a copy of the donor's completed gift appraisal for review in advance of acknowledgment of the gift by execution of IRS Form 8283, for attachment to the donor's tax return to document the gift.

In assessing a proposed donation of real property, FLT shall consider the property's suitability in light of the Trust's documented conservation objectives in its then-current strategic plans, and related acquisition policies. If deemed suitable, FLT shall then develop a conservation plan for the property, and evaluate future stewardship and potential legal defense costs based on the property's values, the donor's intentions, and the conservation plan.

Subject to Board approval, FLT may accept, for sale at best price at current market conditions, a proposed gift of real property which does not meet the Trust's criteria. In assessing acceptance of such non-conservation real estate, the Board shall consider issues such as title and title encumbrances, carrying costs pending sale, marketability, income potential and management time, real or perceived conflicts, and public perception regarding acceptance and sale. Generally the Trust shall not accept such property with a net projected sales profit of less than \$25,000.

Also subject to Board approval, FLT may purchase real estate deemed suitable for conservation for a price less than fair market value, in which case the Trust shall advise the donor to seek all necessary professional independent opinions (attorney, appraiser, accountant, etc.) necessary to support a valuation of the difference between the appraised value and the purchase price, and the donor's qualification for a charitable deduction.

### **III. Planned Giving (effective at some future date)**

A Donor may make a gift to FLT of intangible, tangible, or real property, as described in Section II above, to be effective upon Donor's death or at some future contingency. Such gifts, if properly planned, can provide both a meaningful conservation legacy and significant tax advantages for the donor (FLT cannot advise prospective donors regarding these often-complex gifting strategies, and will urge such donors to seek professional help). FLT accepts planned gifts such as, but not limited to, bequests (by will or revocable living trust), IRA and 401(k) and other retirement and life insurance plan beneficiary designations, split interest trusts, charitable remainder and lead trusts, and charitable gift annuities. The Trust appreciates prior knowledge of and an opportunity to participate in the discussions regarding the creation of the documents and instruments of which it will be a future beneficiary.

### **IV. Administrative**

FLT's Executive Director shall acknowledge all donations to the Trust by signed letter in accordance with IRS guidelines.