



Prince George's County Parks and Recreation Foundation Gift Acceptance Policy

The Prince George's County Parks and Recreation Foundation solicits and accepts gifts based on a Memorandum of Understanding with the Maryland-National Capital Park and Planning Commission.

The mission of the Prince George's County Parks and Recreation Foundation is to attain increased financial support for the Prince George's County Park and Recreation System. The Prince George's County Parks and Recreation Foundation will seek the advice of legal counsel in matters relating to the acceptance of gifts when appropriate. Review by counsel is recommended for the following gifts:

1. Gift of securities that are subject to restrictions or buy-sell agreements.
2. Documents naming The Prince George's County Parks and Recreation Foundation as trustee or requiring The Prince George's County Parks and Recreation Foundation to act in any fiduciary capacity.
3. Gifts requiring The Prince George's County Parks and Recreation Foundation to assume financial or other obligations.
4. Transactions with potential conflicts of interest.
5. Gifts of property that may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts

The Prince George's County Parks and Recreation Foundation will not accept gifts that (a) would result in the Foundation violating its corporate charter, (b) would result in the Foundation losing its 501 (c) 3 not-for-profit status, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for the Foundation or (e) are for purposes outside the Foundations mission. Decisions on the restrictive nature of a gift, and its acceptable refusal, shall be made by the Board of Trustees of the Foundation in consultation with the Executive Director.

The following Gifts are **generally accepted** *without* review:

Cash

Cash gifts are acceptable in any form including check, money order, and credit card or through online donation mechanisms. Donors, wishing to make a gift by credit card must provide the card type (Visa, MasterCard, and American Express), card number, expiration

date, and name of the card holder as it appears on the credit card. Donors are also asked to provide their address, email, and phone numbers for acknowledgement and tax purposes.

Marketable Securities

Marketable Securities may be transferred electronically to an account maintained by the Foundation or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by the Foundation Board of Trustees. In some cases, marketable securities may be restricted, for example, by applicable securities laws or terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Board of Trustees.

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans

Donors are encouraged to make bequests to The Prince George's County Parks and Recreation Foundation through their wills, and to name The Prince George's County Parks and Recreation Foundation as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

Charitable Remainder Trusts

The Prince George's County Parks and Recreation Foundation will accept designation as a remainder beneficiary of charitable remainder trusts.

Charitable Lead Trusts

The Prince George's County Parks and Recreation Foundation will accept designation as an income beneficiary of charitable lead trusts

Gifts subject to prior review:

Certain forms of gifts or donated properties may be subject to review by the Board of Trustees prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:

- **Tangible Personal Property**

The Board of Trustees shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- ✓ Does the property further the Foundation's mission?
- ✓ Is the property marketable?
- ✓ Are there any unacceptable restrictions imposed on the property?
- ✓ Are there any carrying costs for the property for which the organization may be responsible?
- ✓ Is the title/provenance of property to clear?

- **Life Insurance**

The Prince George's County Parks and Recreation Foundation will accept gifts of life insurance where the Foundation is named both beneficiary and irrevocable owner of the insurance policy. Only fully paid policies are accepted.

- **Real Estate**

All gift of real estate are subject to the review of the Board of Trustees. Prior to acceptance of any gift of real estate, the Board may require a Phase 1 Environmental Assessment of the property be completed. In the event Phase 1 Assessment reveals a potential environmental problem, a Phase 2 Environmental Assessment shall be required. The costs of preparing any and all Environmental Assessments of the gift property shall be borne by the donor, unless other arrangements are made with the "gifting party". Criteria for acceptance of gifts of real estate include:

- ✓ Is the property useful for the Foundation's purposes?
- ✓ Is the property readily marketable or suitable for conveyance to the Parks and Recreation Department?
- ✓ Are there covenants, conditions, restrictions, requirements, reservations, easement, encumbrances or other limitations associated with the property.
- ✓ Are there carrying costs (including insurance, property taxes, mortgages, notes or the like) or maintenance expenses associated with the property?
- ✓ Does the environmental review or audit reflect that the property is damaged or otherwise requiring remediation?

Unacceptable Gifts

The Prince George's County Parks and Recreation Foundation is not licensed by the State of Maryland as a wholesale vehicle dealership. As such, the Prince George's County Parks and Recreation Foundation will not accept donations of used automobiles, boats and motorcycles for resale. Vehicles will be accepted only **if** the donation can be used in support of the Foundation or Department of Parks and Recreation's mission.

Policies and Procedures

A. Cash Gifts and Pledges

- Unrestricted Gifts of Cash-Gifts given without restriction on the use of the gift. Cash gifts for Friends membership are considered unrestricted and used to fund Foundation operations based on operational needs. All other cash gifts, unless specified by the donor, will be designated for the Endowment Fund.
- Restricted Gifts of Cash-**Gifts given for the purposes specified by the donor** (only donors can restrict gifts).

- ✓ Gifts restricted for Foundation operations are recorded and deposited into the operating account or operating reserve
 - ✓ Gifts restricted for the Endowment are deposited into the Endowment account with interest only used as specified by the donor subject to review by the Board of Trustees.
 - ✓ Gifts restricted with other specifications will be accepted subject to review by the Board of Trustees
- Pledges-Promises to contribute an amount specified by the donor.
 - ✓ Pledges may be restricted or unrestricted.
 - ✓ Pledges are expected to be fulfilled with contributions of cash or stock.
- Matching Gifts

Gifts matched through corporate matching programs follow the restrictions of the donor whose gift is being matched. If a donor makes an unrestricted gift, the matching gift is also unrestricted, etc. The Prince George's County Parks and Recreation Foundation counts matching gifts toward an individual's gift total in the year the matching gift is received.
- Marketable Securities

Upon receipt of donated securities, the Executive Director will advise the Foundation brokerage account managers to sell at the earliest practical date. Such gifts are credited to the donors according to current IRS codes.
- Credit cards

Gifts made by credit card are applicable the date the charge is accepted for processing.

B. Non-Cash Gifts

1. In kind Contributions- **Gifts of goods or services**

a. Donations of goods or services, referred to as "Gifts in Kind" could include building equipment, materials, and corporate services such as advertising or printing. The value of such gifts determined to be less than \$5,000 is processed as a non-cash gift and considered restricted in nature. The Foundation does not issue a receipt showing the cash value of the gifts, but will produce a gift acknowledgement for the object or service.

b. For any gift-in-kind with an apparent value of over \$5,000, the gift is considered restricted and the foundation is required to sign the IRS Form 8283 which must be filed by the donor with the IRS. The Foundation will retain a copy of the executed Form 8283. If the Foundation disposes of the item within two years of its receipt, Form 8282 must be filed with the IRS.

- c. Gifts in Kind must be valued by the donor and costs associated with an appraisal are the sole responsibility of the donor.
- d. Gifts of Life Insurance are credited at face value.
- e. Acceptances of Closely held Securities are subject to the approval of the Board of Trustees and valuation of securities not publicly traded is the responsibility of the donor. Such securities must be marketable in a reasonable period of time.

2. Planned Gifts

Planned gifts are administered on behalf of The Prince George's County Parks and Recreation Foundation through an Agency Fund held by The Community Foundation of the National Capital Area. The following Planned Giving instruments are accepted:

- a. Charitable Remainder Trusts
- b. Charitable Gift Annuities- The minimum gift is \$50,000.

(Charitable Lead Trusts are also accepted but typically held in the donors financial accounts)

C. Review and Amendment of Gift Acceptance Policy

Request to amend or review this Policy may be suggested by the Executive Director or any member of the Board of Trustees. Written recommendations will be provided to the Executive Director for review and submitted to the full board for discussion at the next scheduled meeting.

D. Code of Conduct

Representatives of The Prince George's County Parks and Recreation Foundation abide by the AFP Code of Ethical Principles and Standards (adopted 1964; amended Sept. 2007)

E. Confidentiality

All donor records will be deemed confidential to the extent allowed by law.

F. Constituent Lists and Databases

The Foundation does not sell its constituent lists or databases; but may choose to exchange databases only.

G. Use of Legal Counsel

A prospective donor is advised to seek legal or tax counsel in regard to any and all aspects of a proposed gift in any form. Donors are advised to consult with their attorney and/or accountant regarding the tax implications and estate planning aspects of a planned gift agreement.

The Prince George's County Parks and Recreation Foundation will seek separate legal counsel in matters relating to planned giving, execution of agreements, contracts, trust or other legal documents as deemed necessary by the Board of Trustees. In no case will the Foundation attorney be the attorney for the donor. Donors are advised to seek their own legal or tax counsel.

No legal fee is paid to The Prince George's County Parks and Recreation Foundation for drafting of a will or other trust instrument on behalf of prospective donors, even if the Foundation is to be named the beneficiary. No legal fee is paid by the foundation for determining the marketability of any donated property, whether securities or real property. The Board of Trustees must authorize any exception to this policy.

H. Gift Acknowledgement Policies

The Prince George's County Parks and Recreation Foundation is in full compliance with current tax law and it is the Foundation's policy to acknowledge all gifts, regardless of size.

The Executive Director expects to acknowledge all donations within two business days of receipt or acceptance, whichever comes later. During peak giving periods (year-end) acknowledgment times may extend for up to four business days. All acknowledgments will conform to IRS regulations.

Adopted on: September 6, 2017

Policy adopted with following instruction per September 6, 2017 Board Meeting:

Board President Reginald Forbes said an Ethics or Ad Hoc committee could handle each instance in question under **Restrictions on Gifts** clause as needed.