



## **BLC Gift Acceptance Policy**

Bududa American Foundation and Bududa Canada Foundation, known as Bududa Learning Center, are responsible for soliciting, receiving, and accepting charitable gifts to support its mission. This responsibility extends to acknowledging donors and gifts.

### **Definitions**

A charitable gift is defined as a voluntary transfer of assets from a person or organization to BLC where no goods or services are expected, implied, or forthcoming for the donor. Gifts generally take the form of cash, checks, securities, real property, or personal property.

A quid pro quo contribution is when the donor's payment is made partly as a contribution and partly in consideration of goods or services received. For example, a contribution to a fundraising event may include a portion that will cover the value of the dinner provided.

### **Policies**

All gifts received by BLC will be individually evaluated for suitability towards furthering the mission of the Foundation. BLC reserves the right to accept or decline gifts.

Questions as to the acceptability of a gift will be referred to BLC's Board of Directors for a decision. The Board may defer to staff for further research or information.

BLC will acknowledge, in a timely manner, all gifts received. Acknowledgment of a quid pro quo contribution will include information on the cost of any benefit received by the donor.

For gifts to establish an endowed fund or when deemed prudent, BLC will execute a gift agreement with a donor.

BLC will provide stewardship of all gifts, ensuring each donation is utilized in accordance with the donor's intent. Should an issue arise honoring a donor's intent, BLC will reach out to discuss any and all issues with the donor.

BLC will respect the wishes of those donors who request anonymity. Gifts from donors wishing to remain anonymous will be handled in the same manner as other gifts received with the understanding that no public announcement regarding the donor will be made.



## Types of Gifts

**Commemorative Gifts.** BLC will accept memorial and tribute gifts to honor individuals or entities. We encourage donors to make unrestricted contributions for use where the greatest need exists. However, restricted commemorative gifts will be accepted if deemed acceptable to BLC and its Board of Directors.

**Stock.** BLC will accept gifts of appreciated securities. A receipt will be given to the donor based upon value per share at the time of acceptance. Information regarding the stock and any pertinent personal information must be included. Gifts of stock should be sold as soon as practical after receipt.

**In-Kind.** BLC will accept In-Kind gifts if the gift is useful to BLC or easily sold. BLC reserves the right to refuse a gift that is not useful or easily sold. BLC will keep a record of In-Kind contributions valued at \$500 or more. Items of lesser value will be acknowledged, but no permanent record of the gift or the donor will be kept. Donors of In-Kind gifts should be aware that the establishment of value for tax purposes is the responsibility of the donor, not of BLC.

**Will.** A donor may include a declaration within their will naming BLC as a beneficiary of all or part of their estate.

**Outright Lifetime.** These gifts will generally be made pursuant to an agreement between a donor and BLC setting forth the purpose and restrictions, if any, of the gift. There must be actual delivery of the gift during the lifetime of the donor.

**Charitable Remainder Trust.** This gift vehicle allows a donor to transfer cash or other property to a trust during a donor's life or at the donor's death. The trust instrument provides that periodic payments, on no less than an annual basis, are paid by the trustee of the trust to a non-charitable beneficiary (often the donor or donor's spouse) for the beneficiary's life or a term of years not to exceed 20 years. The remainder interest of the trust will be distributed to BLC at the end of the trust term. BLC cannot be named as a Trustee of the account. BLC will not pay for costs associated with establishing a trust.

**Life Insurance.** BLC will accept outright gifts of life insurance. Gifts can be made by giving existing policies, by changing beneficiaries of existing policies, or by purchasing new insurance policies. With respect to existing policies, the transfer should be absolute, with full ownership vested. BLC will have the right to surrender the policy if it so desires. The



policy should have a net cash value with no outstanding loans. The donor should agree to contribute, on an annual basis, the amount necessary to maintain the policy in force. BLC should not accept an insurance policy where the donor's intent is for BLC to pay future premium payments unless specifically approved, on a case-by-case basis, by the BLC Board of Directors.

**Retirement Plan/IRA Benefits.** BLC may be named as a primary, secondary, partial or contingent beneficiary of an IRA and/or a retirement plan. Additionally, an IRA and/or retirement plan may fund a charitable remainder trust. The goal in this latter arrangement is to eliminate income tax liabilities.

**Endowment.** BLC will accept gifts, with Board approval, to establish an endowed fund. In most instances, the assets from such gifts will be invested, and only the income from the investment or a portion of the assets' annual capital appreciation can be expended. BLC has the right and responsibility to request a minimum gift size for the establishment of a permanently restricted gift.

**Real Property.** BLC will accept gifts of real estate only after BLC has determined that it is in the best interest of the Foundation to do so. Appraisals, closing costs, and other expenses related to the acceptance and sale of the gift are the responsibility of the donor unless otherwise agreed upon.

**Pledges.** A pledge is defined as a donor's promise to give money or property in the future. Pledge donations will be accepted for designated campaigns, appeals, and restricted and unrestricted funds. The pledged amount will be credited to the campaign fund as a pledge receivable on the date of the pledge. Recognition will be awarded when the pledge, or each installment thereof, is fulfilled.

Careful attention will be given to the appropriate documentation of pledges. Whenever possible, a letter of intent stating the donor's unconditional promise to give will be secured. Minimally, the letter will include the total amount of the pledge, the payment schedule, and a specific breakdown of the purposes for which the pledge is to be used. Donors will be encouraged to contact BLC if the letter of intent does not accurately reflect the specifics or intent of their pledge.