

Title 1                      **Administration**  
Chapter 11                **Gift Policy**

**01-11-01      Philosophy**

- a) The Gift Policy will ensure that the Library accepts gifts in a consistent and equitable manner. This document describes the policies that govern the acceptance of gifts made to the Lester Public Library.

**01-11-02      Acceptable Forms of Gifts**

The Library welcomes gifts in cash and in certain other non-cash forms outlined below. Contributions received in the form other than cash and cash equivalents, such as fixed income securities, stocks, mutual funds, etc., will be liquidated upon receipt and reinvested in a manner consistent with the Library's Investment Policy (Title 1 Chapter 10). The Library's authorized financial dealers/institutions may elect to hold the investment on a temporary basis until an appropriate time to avoid potential losses or enhance returns as long as the instrument is an allowable investment within the Library's Investment Policy (Title 1 Chapter 10).

- a) The Library accepts gifts of cash or checks made payable to the Lester Public Library.
- b) Listed securities or securities actively traded over-the-counter are acceptable as outright gifts at their market value on the date of the gift.
- c) Restricted stock, stock options, and other closely held securities can be accepted as gifts subject to the approval of the Library Board of Trustees. The Library Board of Trustees reserves the right to seek outside professional counsel before making a final decision to accept the gift. Gifts will be reviewed prior to acceptance to determine that:
  - 1. There are no restrictions on the security that would prevent converting those assets to cash.
  - 2. The security is marketable.
  - 3. The security will not generate any undesirable tax consequences to the Library.
- d) Gifts of real estate may include developed or undeveloped property. The Library Board of Trustees must approve a gift of real estate prior to acceptance and reserves the right to seek outside professional counsel before making a final decision on accepting the gift. Criteria for acceptance of the property include:
  - 1. Is the property marketable?
  - 2. Are there any restrictions, easements, or other limitations associated with the property?
  - 3. Are there carrying costs, which may include insurance, property taxes, mortgages or notes, associated with the property?
  - 4. Does an environmental audit reflect that the property is not damaged?
- e) Donations of personal property are sometimes appropriate gifts to the Library. Before making a gift of tangible personal property, Donors are asked to consult Library staff to confirm that a gift can be used according to the Donor's wishes while also

supporting the mission of the Library. Donors of personal property will be asked to sign an Irrevocable Gift of Personal Property form stating that:

1. The Donor has the full ownership of the property as well as any licenses or copyrights associated with the property.
  2. The Donor acknowledges that the gift is irrevocable.
  3. The Library may use, sell, or dispose of the gift at any time without recourse.
- f) The Library does not generally accept gifts of the following type:
1. Livestock
  2. Heirlooms the donor wants kept in perpetuity
  3. Property that requires extra or ongoing security
  4. Illiquid property that cannot be quickly sold
  5. Property that involves a complicated sale, (e.g., must be auctioned.)
  6. Used computers or software
  7. Photographs without copyrights
- g) Gifts of cash value life insurance policies may be made by naming Lester Public Library as irrevocable beneficiary of the policies.
- h) Donors may make bequests to the Lester Public Library under their wills and trusts. Such bequests will not be recorded as gifts until the gift is irrevocable.
- i) Donors may name the Library as beneficiary or contingent beneficiary of retirement plans, e.g., IRAs, Roth IRAs, and 401K plans. Such designations will not be recorded as gifts until such time the gift is irrevocable.

#### **01-11-03 Written Acknowledgement of Gifts**

- a) Library staff will send written acknowledgement of any gift for which a Donor's name and address is attached, to be used as proof of the donation for tax purposes. Small cash donations will not receive acknowledgement unless specifically requested by the Donor.

#### **01-11-04 Valuation of Non-Cash Gifts**

- a) The Library is not authorized to assign a value to non-cash gifts. Any gift requiring valuation for tax purposes will be made by a "qualified appraiser" who shall furnish to the taxpayer a "qualified appraisal" as defined by the Internal Revenue Code. Without a qualified appraisal, the only acceptable substitute is a current receipt of sale or invoice for property purchased and presented to the Library.

#### **01-11-05 Refusing Gifts**

- a) The Library reserves the right to refuse a gift if accepting it runs counter to the overall mission, is costly or harmful to the Library, or has restrictions that cannot be reasonably met.

Library Board Approved 12/11/12