

“Future Library and Town Center Fund” Gift Acceptance Policy

The following policies and guidelines govern the acceptance of all gifts made to the Future Library and Town Center Fund (“FUND”). This policy is intended to guide the Steering Committee in the acceptance of gifts, while giving full consideration to the interests and concerns of potential donors.

The FUND’s purpose is to support the work of the Steering Committee in formulating and implementing a comprehensive plan/project to solve the space and maintenance issues of the Pierson Library, keeping in mind that this solution will affect the entire municipal complex. The plan/project will be thoroughly evaluated to meet the joint needs of the Library and the needs and requirements of the Municipality. Work will include, but is not exclusive to, evaluation of overall needs of the library, evaluation of overall needs of the municipal complex in which the library exists, fundraising, public education, design, and future construction.

Monies collected for the FUND will be segregated from other Library assets and held in an account designated as the FUND. These funds will be overseen by the Library Building Steering Committee.

General Acceptability of Gifts

The Steering Committee/Town may accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with the stated purpose and priorities of the FUND. The Steering Committee/Town will not accept gifts that are too restrictive in purpose or costly to manage. For the purpose of this policy, gifts are defined as all known forms of contributions that may come to be offered to the Steering Committee/Town. The Steering Committee will follow the guidelines of the Association of Fundraising Professionals Code of Ethics (<http://www.afpnet.org/files/ContentDocuments/CodeofEthics.pdf>).

Types of Gifts

- **Cash:** Cash is acceptable in any form. Checks may be made payable to the Town of Shelburne.
- **Tangible Personal Property:** In general, gifts of art objects, furniture, equipment, and other tangible objects shall be of use to the Town or of interest to the community, of a professional quality, and in good condition. As with all gifts, tangible personal property will only be accepted with the donor’s full agreement that the Town has the right to handle or dispose of the gift in the best interests of the Town. Because of the Town’s limited display and storage areas, potential donors of art & decorative objects are requested to discuss any possible gifts with the Town Manager. No gifts requiring extensive, regular care or conservation will be accepted. Donors will be required to pay

for an appraisal of the property before it will be accepted in order that the Town can accurately record the gift in its books.

- **Gifts-In-Kind:** The Steering Committee/Town welcomes gifts of goods and services that are consistent with the objectives of the Steering Committee's project. These gifts will be liquidated for cash unless they are given to improve or enhance specific parts of the Steering Committee's Project.
- **Charitable Remainder Trusts:** The Town may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the Steering Committee. The Town will not accept appointment as a Trustee of a charitable remainder trust.
- **Charitable Lead Trust:** The Town may accept a designation as income beneficiary of a charitable lead trust with the approval of the Steering Committee. The Town will not accept appointment as a Trustee of a charitable lead trust.
- **Publicly Traded Securities:** Publicly traded securities may be accepted. Unless otherwise directed by the Steering Committee, all securities will be liquidated for cash as soon as practicable. In some cases, marketable securities may be restricted by applicable securities laws; in such instances, the final determination on the acceptance of the restricted securities shall be made by the Steering Committee.
- **Securities not publicly traded:** As a general rule the Steering Committee will not accept securities that are not publicly traded.
- **Real Estate:** Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. The gift shall be approved by the Steering Committee and by legal counsel. The property shall be useful for the purposes of the Town and shall be marketable.

Prior to the acceptance of real estate, there shall be determined any restrictions, reservations, easements, or other limitations associated with the property.

Prior to the acceptance of real estate, the Town shall require an initial environmental review of the property to ensure that the property has no environmental damage. The cost of the environmental audit shall generally be an expense of the donor.

When appropriate, a title binder shall be obtained by the Town prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

- **Remainder Interests in Property:** The Steering Committee may accept a remainder interest in a personal residence, farm, or vacation property subject to approval by the Steering Committee. The donor or other occupants may continue to occupy the real

property for the duration of the stated life. At the death of the donor, the Town may use the property or reduce it to cash. Where the Town receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary.

- **Retirement Plan Beneficiary:** The Town may accept a designation as irrevocable beneficiary of a retirement plan.
- **Bequests:** The Town may accept bequests under wills and trusts with the approval of the Steering Committee.
- **Life Insurance Beneficiary:** The Town may accept designation as irrevocable beneficiary of a life insurance policy. The Steering Committee shall encourage gifts of paid up life insurance policies. If the policy is not paid up, the Steering Committee shall request that the donor contribute all future premium payments to the Town. If the donor does not elect to continue making gifts to cover premium payments on the life insurance policy, the Steering Committee may convert the policy to paid up insurance and/or surrender the policy for its current cash value. The Steering Committee may consult with professional financial and legal advisors regarding the valuation of any gifts of life insurance policies. Gifts will be recorded at such time as they are irrevocable.

Gift Valuation

The Town does not provide personal, legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Donors may also contact the Vermont Community Foundation for assistance in the valuation of potential investment gifts.

Gift Recognition

Thank you letters from the Steering Committee and receipts of acceptance from the Town are sent in response to most donations. However, donors may request a more specific written acknowledgment of any donation. **All forms of donor recognition are subject to Steering Committee determination.**

Donors may choose not be recognized by name when bestowing gifts to the Town. This wish will be reflected on published lists and other forms of donor recognition. The Steering Committee 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 Steering Committee.

The Steering Committee keeps records of donations received. Donors may request the opportunity to discuss how donated funds are utilized with the Library Director or Town Manager.

Pledges

The standard pledge will be in writing and signed by the donor, for duration of up to five years, and will constitute a contractual obligation of the donor. There may be exceptions to this policy made with the approval of the Steering Committee. The value of any canceled or unfulfilled pledge will be subtracted from campaign totals. The value of oral pledges will not be counted in committed or publicly announced campaign totals but may be included in projected/anticipated campaign totals for internal use. On the rare occasion when special circumstances may warrant making an exception, the Steering Committee should write to a donor making an oral pledge to document the understanding between the donor and the Town.

Naming and Recognition

The Steering Committee may create naming opportunities for its facility and programs and it invites its friends to link their names with the Project through these naming opportunities. All naming and recognition are subject to ratification by the Steering Committee. Naming is contingent upon fulfillment of the donor's pledge.

General Provisions

The Town may seek advice from its own counsel with respect to the consequence of gift acceptance to the Town.

The Town, acting through the Steering Committee, may, in its sole discretion, accept or reject any offered gift.

The Town will not accept any gift with the potential for an actual or perceived conflict of interest.

This policy is subject to change by the Steering Committee; it is intended only as a guide and allows for some flexibility on a case-by-case basis upon approval of the Steering Committee.

Contingency Policy

Early gifts and lead gifts that are designated as "start-up funds" may be expended to fund early hard and soft costs of **the FUND Project**. **Donors will be made aware and shall agree as to whether their funds can be designated as "start-up funds" commitments.** It is possible that funds that are designated and agreed as "start-up funds" gifts may be expended during a period time in which the Project scope could be amended or even abandoned. In the event that the scope of the Project is (i) substantially amended; (ii) substantially postponed or tolled; or (iii) terminated:

- i. "Start-up funds" gifts already expended shall not be returned or refunded;

- ii. “Start-up funds” and other gifts made but not expended may be redirected to other activities of Pierson Library at the direction of the donor or, if requested, returned (provided that the donor shall be required to pay any applicable tax on the returned donation as income); and
- iii. Pledges made but not paid would be redirected to other activities of Pierson Library at the direction of the donor or, if requested, rendered null and void.

Policy adapted from the Carnegie-Stout Library Campaign Gift Policy –

www.dubuque.lib.ais.us/documentcenter/home/view/15, Montclair Public Library:

<http://www.montclairlibrary.org/about-mpl-2/library-policies/gift-acceptance-policy/>, North

Scituate Public Library <http://scituatelibrary.org/about/policies/giftacceptance>, Durham Public Library,

http://www.durhampubliclibrary.org/durham/documents/gift%20acceptance%20policy%204_25_13.pdf, Westport Public Library,

http://westportlibrary.org/sites/default/files/webfm/files/attachments.restored/policies/Capital-Gift-Acceptance-Policies_2013_5_15.pdf