



**Development Committee Meeting AGENDA**  
**August 20, 2021**  
**9:00 am – 10:30 am**

<b>TOPIC</b>	<b>FACILITATOR</b>	<b>ACTION</b>	<b>TIME</b>
1. Welcome and Call to Order	John Bayne		3
2. Opening Prayer	Julie Monahan		2
3. Approval of May 7, 2021 minutes	John Bayne	Approve	3
4. Fundraising update	Meghan Parsons	Presentation	10
5. Major Donor program update	Mary Jane Bray	Presentation	15
6. Strategic Investment Fund & continued fundraising	Natasha, Meghan, Maya Gasuk	Discussion	25
7. Gift Acceptance Policy – “V. Planned Gifts” \$25K restriction	Natasha Thompson	Discussion	15
8. Action items review & member report out	John Bayne	Discussion	15
9. Next meeting dates <ul style="list-style-type: none"><li>• October 29</li></ul>	John Bayne		
10. Adjourn	John Bayne		

**FOOD BANK OF THE SOUTHERN TIER**  
**Development Committee Meeting**  
 May 7, 2021 8:30 am - 10:00 am

Member	In Attendance	Unable to Attend
John Bayne (Chair)	X	
John Alexander	X	
Peter Newman		X
Dave Radin	X	
Joe Thomas	X	
Alison Wolfe	X	
Julie Monahan	X	
Anis Fadul		X
Amanda Smith-Socaris	X	
<i>Ex-Officio</i>		
Natasha Thompson	X	
<i>Staff</i>		
Meghan Parsons	X	
Lynn Dates	X	

**1. Welcome and Call to Order**

John Bayne called the meeting to order at 8:31 am

**2. Opening Prayer**

Dave Radin led the opening prayer.

**3. Approval of January 29, 2021 Minutes**

*John Alexander made a motion to approve the January 29, 2021 minutes.  
 Dave Radin seconded. All were in favor. None opposed.*

**4. Assumptions report**

Meghan reviewed 2020 end-of-year assumptions, which included: Q1 revenue; transition of Tour de Keuka to another non-profit thanks to the help of Anis Fadul; Leader of the Pack will be an in-person event held in September; Selfless Elf will be a digital campaign; volunteer shifts will be back to full strength in Q3 & Q4; Meghan and Mary Jane Bray held one-on-one development meetings with Board and Committee members in Q1 & Q2; Cheers for Change subcommittee has developed strategy for the next two years; and donor retention behavior. Meghan provided department staffing updates further explaining the need for a director level position for Director of Communications. Meghan noted the intensity of development and communications work. John Bayne encouraged continued work behind understanding the fundamental root cause, which prompted further discussion.

**5. Fundraising report**

Meghan reviewed the fundraising report, pointing out a 240% increase this year and adjusted revenue goal to \$4M, noting significant strategic changes. Additionally, she discussed retention behaviors and strategy, pointing out that we are currently at 18.1% of a 35% goal, noting that this is a conservative goal (historically 28% – 32%).

**6. Feeding America Network Fundraising Info**

Meghan reviewed BCG FANO slides noting projections and that 200 food banks raised \$3.5B, which doesn't include what FANO raised. It was noted that our goal is still very conservative, and we will rely on strategy.

**7. Volunteer Donor Thank You Call Program Update**

Meghan updated the group on the status of the Donor Thank You Call program, noting technical issues. Following a brief discussion, Meghan noted that she would share and review past capital campaign lists with John Alexander.

**8. 1:1 Conversations with BOD/Committee Members**

Meghan reported that she and Mary Jane Bray have met with most BOD & Committee members to better understand their engagement and giving plans for the year. The group discussed the following: peer to peer conversations; treating all BOD & Committee members like major donors; understanding how people like to give; giving through pass-through organizations; planned giving; keeping former BOD members engaged (N&CG will manage); BOD champions; and peer-to-peer camaraderie.

**9. 1/29/2021 action items review & member report out**

Alison Wolfe reported that she will work on the Donor Thank You Call program.

Amanda Smith-Socarlis reported that she is involved with the Cheers for Change subcommittee, and that it looks like we're heading into success for next year.

John Bayne reported that he spoke with Mary Jane Bray and shared information about the timing of Corning Inc. bonuses, that the CIF Board voted to increase matching gift amounts, and that he is no longer able to participate with the Cheers for Change subcommittee.

Joe Thomas reported that he spoke with Mary Jane Bray, participate with Cheers for Change and shared feedback from friends who support FBST.

Julie Monahan reported about Drive Away Hunger with First Heritage, adding that it looks like the best year yet and we're off to a great start with lots of community support, and that she is thinking about Leader of the Pack.

Dave Radin reported that he and Meghan had lunch together, that he has shared Natasha's status report with his friends and that he has signed up to access Raisers Edge for the Donor Thank You Call program.

John Alexander reported that Mary Jane Bray reached out while he was in Mexico and they discussed matching funds achievement.

John Bayne reported for Anis Fadul noting that he is emailing past Tour de Keuka participants to direct them to United Way website.

Meghan and John Bayne thanked group for their engagement, commitment, and time.

**10. Next meeting dates**

- August 13
- October 29

**11. Adjourn**

The meeting adjourned at 9:52 am.

Minutes respectfully submitted by,

Lynn Dates, *Executive Assistant to  
Natasha R. Thompson, President & CEO*

Action Items	Responsible	Due Date

**FOOD BANK OF THE SOUTHERN TIER  
GIFT ACCEPTANCE POLICY**

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**POLICY:** Gift Acceptance

**NUMBER:** 1

**EFFECTIVE DATE:** September 15, 2006

**REVISED DATE:** July 11, 2019

**AFFECTED EMPLOYEES:** All Employees

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Food Bank of the Southern Tier (hereinafter referred to as “FBST”) is a regional agency of Catholic Charities of the Diocese of Rochester, a not-for-profit corporation organized under the laws of the State of New York. FBST accepts gifts for charitable purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code as recognized by the Internal Revenue Service of the United States of America. FBST solicits gifts for its charitable purposes that help fulfill its mission. FBST solicits such donations under the tax identification number: 22-2580142. This document states the policies of the FBST as related to the acceptance of gifts it is offered.

**Purpose of Policy**

FBST staff and volunteers solicit current and deferred gifts from individuals, small businesses, civic groups, corporations and foundations to support current operations and to secure the future growth and mission of FBST. The provisions set forth in this policy shall apply to all gifts received by FBST for any of its programs and services. The purposes served by the policy are to:

1. facilitate compliance by FBST with tax and other laws which pertain to charitable organizations;
2. prevent the acceptance by FBST of gifts which could result either in conflict with the mission or governing documents of FBST, incurring unacceptable liability or risk; and
3. provide the basis for good communications with prospective donors.

**Types of Gifts Accepted**

No gift shall be accepted where there is no charitable intent on the part of the donor. The following gifts are acceptable by FBST without prior written approval:

**I. CASH AND SECURITIES**

**A. Cash**

All gifts made by **check, cash, credit card, cashier’s check, money order, electronic funds transfer, or any other form that constitutes legal tender** will be accepted by FBST, regardless of the amount.

**All forms of payment shall be made payable to the “Food Bank of the Southern Tier.”** Under no circumstances should a check be made payable to an individual who represents FBST. If such occasion arises where a donation is received in the form of a check that is written to a representative of FBST, the individual should immediately endorse the check to the Food Bank of the Southern Tier. The check shall then be delivered to Business Services for deposit into the FBST’s account.

Business Services will provide the gift information to Development & Community Engagement for entry to the fundraising database (Raiser's Edge).

Because FBST operates as a regional agency of Catholic Charities, payments may be received via Catholic Charities and subsequently credited to FBST via internal financial controls. Catholic charities must report accepted gifts to FBST to assure proper recording in Raiser's Edge.

### **B. Publicly Traded Securities**

Readily marketable securities, such as those traded on a stock exchange, can be accepted by FBST. Gifts of securities may be made by electronic funds transfers, or made by stock certificate, via the finance office at Catholic Charities. Stock certificates should be duly endorsed or accompanied by a stock power; and in each circumstance accompanied by an appropriate signature guarantee.

It is the policy of FBST and Catholic Charities that all readily marketable securities be sold immediately upon receipt. For FBST's internal crediting and accounting purposes, the value of the securities is the average of the high and low on the effective date of the transfer to FBST. Proceeds of sale should also be noted in the donor's record.

For gift acknowledgement purposes, it is recommended that FBST acknowledge the number of shares received and the date of the transfer. The acknowledgement letter also states the median value of the gift on the day of the transfer.

### **C. Closely Held Securities**

Non-publicly traded securities including membership interests in limited liability companies or partnership interests may be accepted after consultation with the Executive Committee and FBST general counsel.

Prior to accepting such securities, FBST shall explore methods of liquidation for the securities through redemption or sale to determine:

1. an estimate of fair market value
2. any restrictions on transfer

For purposes of gift acknowledgement, FBST should state the number of shares received and the date received. No stated dollar value will be included on the acknowledgment letter.

## **II. FOOD DONATIONS**

FBST shall accept all food donations as long as they meet the criteria of FBST's mission and will benefit those served through hunger-relief efforts. Sources of food donations that will be accepted include those received through Feeding America, food drives, individual donations, and direct corporate, food distributor, farmer, or grocer source.

For gift accounting purposes, food donations will be receipted by the number of pounds received if generated by a food drive or requested by an individual donor. Food donations will be entered into Raiser's Edge as an in-kind donation with a one dollar (\$1.00) value. The gift acknowledgement letter informs the donor that food was received as a gift. As per IRS regulations, the donor is responsible for valuing the gift. .

FBST reserves the right to reject any food donations determined to be in unacceptable condition for distribution to clients, or that may cause harm if consumed. FBST reserves the right to dispose of any accepted food donations that are at a later time determined not safe or of poor quality and should not be distributed to clients.

### **III. GOODS AND SERVICES**

#### **A. Gifts In-Kind**

Gifts in-kind are tangible gifts other than cash, marketable/private held securities or real property. Gifts in-kind will be recorded in Raiser's Edge as one dollar (\$1.00) and acknowledged without a stated value. As per IRS regulations, the donor is responsible for valuing the gift.

#### **B. Gifts of Services**

Gifts of services are contributions of actual billable service directly related to the business or profession of the provider. Gifts of services will be recorded in Raiser's Edge as one dollar (\$1.00) and acknowledged without a stated value. Evidence of a gift of service will be an invoice or canceled invoice stating the date, type of service rendered, quantity cost, total cost and amount contributed or forgiven. Written acknowledgments will contain a description of the service(s) received with no stated value.

### **IV. REAL ESTATE AND PROPERTY GIFTS**

#### **A. Real Estate and Real Property**

Gifts of real estate and real property will be accepted at the discretion of the FBST after a review of all relevant factors, including, but not limited to, the resale potential of the property and any environmental concerns or hazards. Because of the complexities and issues involved with real property gifts, they must be carefully considered and, therefore, the FBST has adopted a set of procedures to be followed (**see Appendix A**) and must be approved by the President and CEO, and the Finance Committee with consultation with legal counsel before acceptance.

In general, residential real estate located outside the continental United States will not be accepted as a gift. The Finance Committee or its designee may make exceptions to this policy if conditions warrant.

Real estate shall not be accepted to fund a charitable gift annuity under the laws of New York State. Special attention shall be given to the receipt of real estate encumbered by a mortgage, as the ownership of such property may give rise to unrelated business income for the FBST and disqualification of certain split interest gifts unless handled in a proper manner.

The donor is responsible for obtaining a proper appraisal of the property satisfactory to the FBST's counsel. The cost of the appraisal is the responsibility of the donor. Prior to acceptance of a gift of real estate, a qualified member of the FBST must make a visual inspection of the property. If the property is located in a geographically isolated area, a local real estate broker can substitute for a member of the staff in conducting a visual inspection. FBST will request a copy of any broker's license and confirm with the broker's state of issuance that they are a broker in good standing.

Due to the expenses associated with gifts of real estate, the FBST reserves the right to establish a minimum value it will accept for real estate gifts. If the FBST deems it necessary to establish a minimum value, this Gift Acceptance Policy will be amended to reflect this change in policy. Appraisals will be required for all gifts of real property valued in excess of \$5,000. The donor must complete Section B of Form 8283 and file it with his or her federal income tax return. If a Form 8283 is required, a Form 8282 will be filed by the FBST if the property is sold within two years of receipt.

For the FBST to consider a gift of real property, the donor must provide the following documents:

1. Most current real estate tax bills
2. Current property survey
3. Current owner's title policy or title commitment
4. Current deed transfer
5. Substantiation of zoning status, where applicable
6. Letter of intent

Depending upon the value and desirability of the gift, the donor's connection with the FBST, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following prior to FBST's acceptance:

1. Cost of environmental remediation
2. Maintenance costs
3. Real estate taxes
4. Insurance
5. Title insurance premiums
6. Survey costs
7. Real estate broker's commission and other costs of sale
8. Appraisal costs

In the event the FBST accepts a gift of real estate, for the FBST's internal gift crediting and accounting purposes, the value of the gift will be the appraised value of the real estate on the date it is transferred to the FBST, less the amount of any outstanding encumbrances on the property. The FBST will authorize acceptance of any gift in writing to the donor. A signed agreement should be provided to the donor detailing FBST's requirements and expectations for receiving said gift. The donor should have the signed agreement notarized and return to FBST.

## **B. Tangible Personal Property Gifts**

Gifts of tangible personal property will be accepted at the discretion of the FBST after a review of all relevant factors, including, but not limited to,

1. Does the property advance the mission of FBST?
2. Is the property marketable or can it be used by FBST or one of its agency partners?
3. Are there any undue restrictions on the use, display, or sale of the property?
4. Are there any carrying costs for the property?

If an FBST representative has concerns that a potential gift of property may have been illegally obtained he/she should bring this to the immediate attention of the president and chief executive officer, who may request proof of ownership prior to accepting the gift of property.

### **C. Gifts of Oil, Gas and Mineral Interests**

FBST may accept gifts of oil, gas and mineral interests. Such gifts will be recorded in Raiser's Edge at one dollar (\$1.00) and acknowledged without a stated value. Prior to acceptance, such proposed gifts should be reviewed by FBST's general counsel to determine whether or not FBST could be exposed to any future environmental or reclamation liability and the interest is expected to generate a reasonable return in royalties or other income.

## **V. PLANNED GIFTS**

Gifts of bequests, trusts, annuities and life estate contracts valued at less than \$25,000 shall become part of FBST's unrestricted operating account unless the donor(s) stipulates otherwise in the written instrument that creates such gifts. Gifts of bequests, trusts, annuities and life estate contracts valued at \$25,000 or greater shall become part of the FBST operating reserves unless the donor(s) stipulates otherwise in the written instrument that creates such gifts.

### **A. Bequests**

Assets transferred through bequests that have immediate value to FBST or can be readily liquidated shall be encouraged by FBST representatives. Gifts that appear to require more cost than benefit shall be discouraged or rejected. Donors who wish to make bequests should be advised that such bequests should be directed to "The Catholic Charities Food Bank of the Southern Tier."

### **B. Retirement Plan Beneficiary Designations**

Donors shall be encouraged to name FBST as beneficiary of their retirement plans. Such designations will not be recorded as gifts by FBST until such times as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

### **C. Life Insurance**

FBST will accept gifts of life insurance policies whereby FBST is named beneficiary. Should a donor specifically purchase a life insurance policy as part of a planned giving option of support and intends to deduct the insurance premiums on income taxes, then FBST should be named irrevocable owner and beneficiary of 100% of the policy. If the policy is a paid-up policy, the value of the gift for FBST for crediting and accounting purposes is the policy's replacement cost. If the policy is partially paid up, the value of the gift for FBST gift crediting and accounting purposes is the policy's cash surrender value.

If the donor contributes future premium payments, FBST will include the entire amount of the additional premium payments as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, FBST may:

1. continue to pay the premiums

2. convert the policy to paid-up insurance; or
3. surrender the policy for its current value.

## **VI. RESTRICTED GIFTS**

FBST recognizes that donors may prefer, on occasion, to make gifts with restrictions that limit their use to special interests of the donor. FBST will accept and administer such restricted gifts as specified by the donor, provided the purposes for which the gifts are made is in accordance with the programs and services of the organization, and the gift(s) does not make it necessary for FBST to alter its program to comply with the stipulations of the donors.

**Gifts for partner agencies:** From time to time, a donor makes a gift to FBST and designates it for a specific hunger-relief partner agency of FBST. These funds will be accepted and set up as a line of credit for the designated agency. Out of respect for donors' wishes, all gifts regardless of size, designated for a particular hunger-relief partner agency will be accepted and administered through the proper channels. There is never a minimum gift level for a restricted cash gift.

**General designations:** Occasionally, FBST may receive gifts designated for a county or geographic region in FBST's six-county service area. Unless designated by the donor, these gifts will be accepted and received into FBST's general operating account and will be used to provide food acquisition and distribution, and program services to the designated area.

**Grants:** FBST shall accept restricted grant awards so long as such grants further the mission of the organization.

**Honor and Memorial Gifts:** FBST shall accept cash gifts made in honor of, or in memory of, a particular person or persons. Honor and memorial gifts will be considered unrestricted funds, unless the donor specifies otherwise.

**Named Gift Opportunities:** FBST may make available named gift opportunities in which a particular fund, program or project could be named in recognition and appreciation of the donor, or in honor of a person or entity of the donor's choosing or in memory of a loved one. The president and chief executive officer, in conjunction with the board of directors, shall make final decisions about all aspects of these named gift situations.

**Matching Gifts:** Whenever possible, donors will be encouraged to take advantage of corporate or foundation matching gift programs. Unless otherwise directed by the donor, corporation or foundation income from matching gifts will be designed for the same purpose as the original gift of the individual donor.

The corporate or foundation matching gift donor will receive credit and appropriate named gift recognition (or, as appropriate, will be categorized in the appropriate donor recognition level). The matching gift will not be credited to an individual or family gift, to increase recognition or naming opportunities. Exceptions may be made when the matching gift donor corporation or foundation expressly requests that their recognition value be given to the original donor. FBST may provide a "soft credit" to the individual donor.

**Soft Credits:** Soft credits can be used where deemed appropriate. For example, if an individual works for a corporation and helps secure a corporate donation, that individual may receive a “soft credit” for the amount of the gift.

**Pledges:** No verbal pledges will be recognized as having been made. FBST must have a signed pledge or letter of intent before a pledge is recorded. The pledge payment period for gifts will be up to five years. Exceptions must be approved by the board of directors.

Permanent donor recognition will be based upon the full payment of pledge commitments within a three year period (five years if the gift includes funds designated for any future purpose ).

## **VII. PRIVACY AND CONFIDENTIALITY**

Members of FBST’s board of directors and development staff may have access to information about donors and prospective donors that is, or may be, of personal and confidential nature, including financial information. FBST wishes to protect the privacy and trust of its benefactors, friends, donors, and prospective donors.

Discussions concerning donors and prospective donors are considered to be private and strictly confidential. Information concerning financial capability, past giving, giving patterns, specific gifts, and personal disclosures about giving interests are considered private and strictly confidential. All discussions, documents and reports of gifts shall be marked and kept confidential, and the use of information shall be limited to purposes related to the business and affairs of FBST.

Board members, FBST employees and volunteers should not use donor cultivation and solicitation activities to develop their own businesses or to make a solicitation on behalf of another business, organization, or enterprise.

All donor information should be properly secured. Paper copies of donor records and prospect files should be kept in locked filing cabinets. Donor management software shall have restricted access and will be made available to the Development & Community Engagement staff, the appropriate Business Services staff, and the President & CEO.

**Volunteer access to donor information:** Generally, volunteers should not be used to complete gift entry. However, if such utilization of volunteers becomes necessary to maintain gift acknowledgment goals whereby a volunteer may have access to privileged information, the volunteer will be required to read and sign a confidentiality statement prior to such access.

**Anonymity:** Donors who wish to give their gift(s) anonymously will be given this option. Anonymous gifts will be reflected in all published lists and other forms of donor recognition as “anonymous gift.” If more than one anonymous gift designation exists within the reporting period for any published lists, the gifts should be listed as “anonymous gifts (#).” # refers to the number of anonymous gifts received during that time period.

The identity of anonymous donors and their contributions shall be made known only to the president and chief executive officer, chairperson of the board, other designated board members, and development staff as needed.

## **VIII. ETHICS**

### **A. Conflict of Interest**

FBST urges all donors to seek the advice of their own legal counsel and/or financial advisors in matters relating to their gifts, the tax and estate planning consequences of such gifts, and any reporting requirements attached to gifts. No FBST personnel are authorized to make any representations or to furnish any assurances or advice to donors relative to the tax consequences of a gift.

### **B. Bequests and Trusts**

FBST shall not act as an executor for a donor's estate nor shall it act as a trustee for any trust other than, in an appropriate circumstance such as a charitable remainder trust, when FBST is the sole remainder beneficiary.

### **C. Year End Gift Receipting**

For a donor's tax purposes, any gifts received after the end of the calendar year must be postmarked by December 31 to be considered as received for that year.

## **IX. USE OF LEGAL COUNSEL**

FBST shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for proposed transactions involved:

1. transfer of interests in closely-held entities
2. gifts of proposed real estate
3. proposed transfers under which FBST will be named as a Trustee
4. gifts involving contracts, such as bargain sales or other documents requiring FBST to assume an obligation. This does not refer to general grant contracts which are reviewed by the FBST grants manager, and president and chief executive officer.
5. transactions involving a potential conflict of interest that may invoke IRS sanctions
6. other instances in which use of counsel is deemed appropriate by the president and chief executive officer and/or the board of directors.

## **X. CHANGES TO GIFT ACCEPTANCE POLICY**

The FBST Gift Acceptance Policy has been reviewed and approved by the board of directors. This policy may be amended only by action of the board of directors. Responsibility for the administration of this policy lies with the president and chief executive officer.

## APPENDIX A

### FOOD BANK OF THE SOUTHERN TIER POLICY AND PROCEDURE FOR POTENTIAL GIFTS OF REAL ESTATE

#### 1. AUTHORITY TO NEGOTIATE

The President and CEO of the Food Bank of the Southern Tier (FBST) will have the overall authority to handle inquiries, negotiate with donors, assemble documentation, retain appraisers, surveyors, realtors and other technical consultants, and prepare agreements on behalf of the Diocese. However, the Finance Committee of the FBST or its designee must formally accept any gift of real estate prior to its transfer.

#### II. EVALUATION OF POTENTIAL GIFTS

**A. Property and Report Form:** Upon initial inquiry, potential donors will be asked to complete a property inquiry form and return it to the FBST with appropriate maps and documentation. (A sample is included as Appendix B.)

**B. Liens, Mortgages and Encumbrances:** Property which is subject to liens, unpaid mortgages, deeds of trust, judgment liens, unpaid taxes or assessments, mechanics' liens or other encumbrances will be accepted only in exceptional circumstances and upon advice from the FBST legal counsel. If accepted, property, which is subject to encumbrances, will be evaluated as a "bargain sale" (a bargain sale is an arrangement whereby a donor offers property to the FBST for an amount less than its current fair market value.) Properties subject to encumbrances will be considered for acceptance only if evaluation convincingly demonstrates that the property can be sold at a price that exceeds the aggregate amount of the encumbrances and any costs associated with satisfying them.

**C. Field Evaluation:** If initial information indicates that an offer is serious and if the property seems potentially profitable, a member of the FBST staff or an authorized representative will visit the property. A representative may be a local realtor or person as the CEO may deem appropriate. The purpose of the visit will be to determine the nature and type of the property and to identify any potential problems not evident from initially supplied information that would prevent the FBST's sale of the property.

**D. Market Evaluation:** Whenever practicable, arrangement will be made to have a realtor analyze the property to evaluate the existence of a market for such property. The CEO may at his/her option, request that the donor provide such an evaluation from a realtor acceptable to the CEO.

**E. Expense Budget:** The FBST staff will prepare for the Finance Committee a budget outlining all the projected expense associated with the acceptance of any proposed real estate gift.

### **III. RESPONSIBILITIES OF THE DONOR**

A. The donor will be responsible for obtaining a qualified appraisal complying with IRS regulations for the purpose of establishing the value of the gift for federal income tax purposes, including the preparation of Form 8283 (“Noncash Charitable Contributions”). See Treas. Reg. 1.170A-13(a).

B. For nonresidential property, the donor must obtain, typically at the donor’s expense, an environmental audit satisfactory to the FBST. No property will be accepted if there is a likelihood of any liability that could attach to the FBST as a result of its taking title to the property.

C. The donor must furnish the FBST with evidence of title that shows that title to the property is free and clear except for current real estate taxes and restrictions of record that would not create any economic burden to the FBST.

D. It is the donor’s responsibility to prepare the deed and other instruments that are necessary to transfer the property to the FBST. All related transfer documents must be reviewed by the FBST legal counsel prior to acceptance.

E. Prior to acceptance of the property, the FBST and the donor must agree in writing on arrangements for paying expenses associated with the property, such as commissions, real estate taxes, utilities, insurance and maintenance costs. Generally, the FBST will not advance funds for the payment of such expenses.

F. Donors will be encouraged to discuss contemplated bequests of real estate before finalizing their wills. Property that is bequeathed to the FBST will be evaluated in accordance with this Policy and Procedure like all other gifts of real property.

### **IV. PROCEDURE FOR ACCEPTING REAL ESTATE**

A. After the requirements of this Policy and Procedure have been satisfied, only the Finance Committee or its designee will have the authority to accept a gift of real property.

B. The CEO may refuse any offered gift of real property that is judged not to be in the best interests of the FBST.

C. Prior to or upon transfer of title to the FBST, the donor and the FBST will sign an agreement (approved by legal counsel) stating the terms of the gift, which shall specify that there are no restrictions on the FBST’s right to use or convey the property.

D. Prior to agreeing to accept the gift of real estate, the FBST will obtain title certification. At the time of acceptance, the FBST will obtain title insurance in an amount equal to the appraised value of the property. When deemed appropriate, the FBST may accept written indemnification by the donor in lieu of title insurance.

E. The FBST will not seek exemption from real estate taxes for donated real estate, unless the property is put to use furthering the FBST’s charitable purposes and mission.

## **V. MARKETING AND SALE OF REAL ESTATE**

A. After accepting a real estate gift, arrangements will be made to sell the property through a qualified real estate professional.

B. While it anticipated that in most circumstances the sale price will equal or exceed the appraised value of the property, the terms of the sale will take into account current market conditions, availability of financing and other factors. Any offer that is below seventy percent (70%) of the appraised value must be approved by the Finance Committee or its designee.

C. In the case of a sale within two years of the date of the gift, the FBST will report the actual sales proceeds to the IRS on Form 8283 (“Donor Information Return.”)

## **VI. REAL ESTATE GIFTS BY BEQUEST**

A. Donors will be encouraged to discuss contemplated bequests of real property before finalizing their wills. Property that is bequeathed to the FBST will be evaluated like all other gifts.

B. Upon becoming aware that the FBST has been named to receive a gift under any will that has been admitted to probate or any trust arrangement, the CEO will contact the executor, trustee, or other legal representative of the estate, and determine if the FBST’s gift consists of land or, if the FBST is a residuary beneficiary of the estate, whether the residue passing to the FBST will contain any land.

C. If the FBST will or may receive land in satisfaction of the gift, the CEO will ask the executor, trustee, or other legal representative to conduct an environmental study similar to the one that the FBST would require if it were to receive an inter-vivos gifts. If the executor, trustee, or other legal representative has not made the study and if it does not do so, the FBST should make its own study or decline to accept the gift.

## **VII. WHAT FBST WILL NOT DO**

A. Except in extraordinary circumstances, the FBST will not pay for legal assistance, appraisals or other services on behalf of the donor.

B. The FBST will not establish or corroborate the value of any property for the purpose of substantiating the donor’s income tax charitable deduction.

## **VIII. FBST CHECKLIST OF DESIRED ITEMS IN CONNECTION WITH CONSIDERATION OF ACCEPTANCE OF REAL ESTATE DONATION**

1. Exact legal name of donor and federal identification number.
2. Description of property (copy of deed).

3. Description of any buildings or other structures located on the property.
4. Boundary survey of property with location of all structures, easements and encumbrances appearing on the face of the survey.
5. Information regarding existing zoning status.
6. Information on all ingress/egress for the property.
7. Description of prior use of the property.
8. Description of use of surrounding property, with specific disclosure of any storage tanks or potential environmental factors affecting the property.
9. Description of any contemplated or anticipated condemnations, right-of-ways or other actions by municipalities that may affect the subject property.
10. Phase I environmental report on the property, including environmental report on any structures located on the real estate, unless waived by counsel for a gift of residential property.
11. Evidence of title, such as title examination and report, title insurance commitment, or schedule describing any liens, encumbrances, or title matters affecting the property.
12. Copy of appraisal showing the fair market value of the property current within 60 days.
13. Disclosure of amount of existing real estate taxes, insurance premiums, and assessments attributable to the property.
14. Discussion with proposed donor regarding any special arrangements for donor's fund or other sources to address ongoing expense for taxes, insurance, assessments, maintenance, grass cutting, security, utilities, and similar items.