

## **ATLA GIFT ACCEPTANCE POLICIES AND GUIDELINES**

Approved by the ATLA Board of Directors, June 2017

The American Theological Library Association (ATLA), a not for profit corporation organized under the laws of the State of Illinois, encourages the solicitation and acceptance of gifts to ATLA for purposes that will help ATLA to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to ATLA or for the benefit of any of its programs.

The mission of ATLA is to foster the study of theology and religion by enhancing the development of theological and religious studies libraries and librarianship. Its core purpose is to promote worldwide scholarly communication in religion and theology by advancing the work of libraries and related information providers.

### **I. Purpose of Policies and Guidelines**

ATLA solicits current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of ATLA. These policies and guidelines govern the acceptance of gifts by ATLA and provide guidance to prospective donors and their advisors when making gifts to ATLA. The provisions of these policies shall apply to all gifts received by ATLA for its Endowment Fund, Scholarships and Grants Annual Fund, operations, or any of its programs or services.

### **II. Use of Legal Counsel**

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

- 1) Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- 2) Documents naming ATLA as trustee.
- 3) Transactions with potential conflict of interest that may invoke IRS sanctions.
- 4) Transactions involving parties outside the United States, where extra due diligence and handling may be required.
- 5) Other instances, such as potential conflict of interest, in which use of counsel is deemed appropriate by the board or staff.

### **III. Conflict of Interest**

ATLA will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences and to be aware of their rights as outlined in the [\*Donor Bill of Rights\*](#) created by the Association of Fundraising Professionals. ATLA will comply with the [\*Model Standards of Practice for the Charitable Gift Planner\*](#) promulgated by the National Association of Charitable Gift Planners.

#### **IV. Restrictions on Gifts**

ATLA will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. ATLA will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter of ATLA, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of ATLA. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the ATLA staff.

#### **V. Types of Gifts**

The following gifts are acceptable:

- Cash
- Tangible Property
- Intangible Property
- Securities
- Real Estate
- Remainder Interests in Property
- Life Insurance
- Charitable Gift Annuities
- Charitable Lead Trusts
- Retirement Plan Beneficiary Designations
- Bequests
- Life Insurance Beneficiary Designations

The following criteria govern the acceptance of each gift form:

- 1) **Cash.** Cash is acceptable in any form, including cash, checks, money orders, ACH or wire transfer, and digital currency (e.g. Bitcoin). Checks shall be made payable to ATLA and shall be sent to ATLA's office at 300 S. Wacker Drive, Suite 2100, Chicago, IL 60606, to the attention of Director of Financial Services. Digital currency will be converted immediately to U.S. currency. If the gift is intended to support a specific fund or program, a letter indicating the designation must be provided to ATLA at the time the gift is made.
- 2) **Tangible Property.** ATLA accepts many types of tangible property except for any living beings, such as livestock. All other gifts of tangible personal property shall be examined in light of the following criteria:
  - Does the property fulfill the mission of ATLA?
  - Is the property marketable?
  - Are there any undue restrictions on the use, display, or sale of the property?
  - Are there any carrying costs for the property?

The ATLA staff shall make the final determination on the acceptance of all tangible property gifts.

### 3) Intangible Property

ATLA accepts many types of intangible property such as rights to patents, trademarks, digital assets, and copyrights. All gifts of intangible property shall be examined in light of the following criteria:

- Does the property fulfill the mission of ATLA?
- Is the property marketable either for sale or as freely available content?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?

The ATLA staff shall make the final determination on the acceptance of all intangible property gifts.

### 4) Securities. ATLA can accept both publicly traded securities and closely held securities.

**Publicly Traded Securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt. In some cases, marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the ATLA staff.

**Closely Held Securities.** Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of ATLA staff. However, gifts must be reviewed prior to acceptance to determine:

- there are no restrictions on the security that would prevent ATLA from ultimately converting those assets to cash;
- the security is marketable; and
- the security will not generate any undesirable tax consequences for ATLA.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. ATLA staff and legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

### 5) Real Estate. Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, ATLA retains the right to conduct an environmental review of the property to ensure that the property has no environmental damage. If the inspection reveals a potential problem, ATLA may retain a qualified inspection firm to conduct an environmental audit at donor expense or choose

to decline the gift. The cost of the environmental audit shall generally be an expense of the donor.

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

Prior to acceptance of the real property, the gift shall be approved by ATLA staff and by ATLA's legal counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of ATLA?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the environmental audit reflect that the property is not damaged?

**6) Remainder Interests in Property.** ATLA will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of paragraph 5 above. 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, ATLA may use the property or reduce it to cash. Where ATLA 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.

**7) Life Insurance.** ATLA must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, ATLA will include the entire amount of the additional premium payment 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, ATLA may:

- continue to pay the premiums;
- convert the policy to paid up insurance; or
- surrender the policy for its current cash value.

**8) Charitable Gift Annuities.** Contributions to ATLA may be made through charitable gift annuities that are managed by outside partner organizations. ATLA itself does not offer charitable gift annuities directly.

**9) Charitable Remainder Trusts.** ATLA may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the ATLA staff. ATLA will not accept appointment as trustee of a charitable remainder trust.

**10) Charitable Lead Trusts.** ATLA may accept a designation as income beneficiary of a charitable lead trust. ATLA will not accept an appointment as trustee of a charitable lead trust.

**11) Retirement Plan Beneficiary Designations.** Donors and supporters of ATLA will be encouraged to name ATLA as beneficiary of their retirement plans. Such designations will not be recorded as gifts to ATLA until such time 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.

**12) Bequests.** Donors and supporters of ATLA will be encouraged to make bequests to ATLA under their wills and trusts. Such bequests will not be recorded as gifts to ATLA until such time 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.

**13) Life Insurance Beneficiary Designations.** Donors and supporters of ATLA will be encouraged to name ATLA as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to ATLA until such time as the gift is irrevocable. Where 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.

#### **VI. Miscellaneous Provisions**

**Securing appraisals and legal fees for gifts to ATLA.** It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to ATLA.

**Valuation of gifts for development purposes.** ATLA will record a gift received by ATLA at its valuation for gift purposes on the date of gift. Valuations will be based on fair market value.

**Responsibility for IRS Filings upon sale of gift items.** ATLA staff is responsible for filing IRS Form 8282 *Donee Information Return* upon the sale or disposition of any asset sold within three years of receipt by ATLA when the charitable deduction value of the item is more than \$5,000. ATLA must file this form within 125 days of the date of sale or disposition of the asset.

Acknowledgement of all gifts made to ATLA and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the ATLA staff. Donors may wish to review IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions*. ATLA is registered only as a U.S. corporation. Donors located outside the U.S. should check the relevant tax laws for their specific country to determine if donations are deductible.

#### **VIII. Changes to Gift Acceptance Policies**

These policies and guidelines have been reviewed and accepted by the ATLA Board of Directors, who must approve any changes to, or deviations from, these policies.