

## **Legal Aid Society of Rockland County, Inc. Gift Acceptance Policies and Guidelines**

Legal Aid Society of Rockland County, Inc. (LASRC), a not-for-profit organization organized under the laws of the State of New York, encourages the solicitation and acceptance of gifts to help the organization further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to LASRC or for the benefit of any of its programs.

The mission of LASRC is: to provide free civil legal representation to low-income residents in Rockland County.

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

The Board of Directors of LASRC and its staff solicit current and deferred gifts from individuals, corporations, and foundations to sustain the organization and to ensure its continuation and future growth. The policies and guidelines set forth below are designed to ensure that all such gifts protect the best interests of the donor and the welfare of LASRC. They govern the acceptance of gifts and provide guidance to prospective donors and their advisors. The provisions of these policies shall apply to all gifts offered to or received by LASRC for any of its programs or services.

### **II Donor Consultation with Independent Advisors**

LASRC will urge prospective donors of “non-routine gifts” (defined below) to seek in advance the assistance and advice of independent professional advisors (e.g., accountants, certified estate or financial planners, attorneys, and investment brokers) in matters relating to their gifts and the resulting tax and estate planning consequences.

### **III Acceptable Gifts; Restrictions on Gifts**

LASRC will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts (1) are not inconsistent with LASRC’s stated mission, purposes, and priorities, and (2) place no undue financial or other burdens on the organization.

LASRC will not accept gifts that are too restrictive in purpose or that come from sources which represent interests contrary to those of LASRC. Gifts that are too restrictive may include those that: (1) violate the terms of the corporate charter or by-laws, or (2) are too difficult to administer. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Gift Acceptance Committee.

### **IV The Gift Acceptance Committee: Responsibilities and Membership**

The Gift Acceptance Committee is charged with the responsibility of reviewing all “Non-Routine” gifts offered or made to LASRC, properly screening these gifts, accepting or declining them, and making recommendations to the Board on gift acceptance issues when appropriate. For purposes of this policy, the term “Non-Routine” means any gift other than: cash, cash pledges, or publicly-traded securities. Even if received in the form of cash

or securities, gifts from the campaign funds of politicians and contributions intended to create permanently restricted accounts are considered to be Non-Routine and are accordingly subject to review by the Gift Acceptance Committee.\*\* The Gift Acceptance Committee shall consist of:

LASRC'S Board President, Executive Director, Board Treasurer, and Director of Development  
AND - Such additional members (for example, outside counsel, selected Board Members, program representatives) as requested on an ad hoc basis by the Board President.

The Director of Development will arrange for Committee meetings as notice of potential contributions requiring review is received.

\*\* In-kind gifts that are received for use at LASRC events or by its programs generally need not be reviewed by the Gift Acceptance Committee.

## **V Types of Gifts**

LASRC will gratefully consider the following kinds of gifts subject to the provisions and procedures set forth above. Through the Gift Acceptance Committee, the organization will also consider additional types of gifts if and when they are offered and on a case by case basis.

- A. Cash
- B. Tangible Personal Property
- C. Publicly-Traded Securities
- D. Other Securities
- E. Real Estate
- F. Life Insurance
- G. Charitable Remainder Trusts
- H. Charitable Lead Trusts
- I. Retirement Plan Beneficiary Designations
- J. Bequests
- K. Life Insurance Beneficiary Designations

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## **VI Criteria for Gift Acceptance**

The Gift Acceptance Committee will take into account the following criteria in determining gift acceptance and any conditions or requirements relating to such acceptance.

- A. Cash  
Cash gifts are acceptable in the form of checks, credit card payments, and other cash equivalents. Checks shall be made payable to LASRC, Inc. and shall be delivered to Director of Development, LASRC, 2 Congers Rd., New City, NY 10956.

**B. Tangible Personal Property**

All other gifts of tangible personal property (for example, works of art) shall be examined in light of the following criteria:

- » Does the property support the mission of the LASRC?
- » 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?

LASRC may require an appraisal of the property and, where appropriate, may obtain a title binder prior to acceptance of the gift. Costs associated with the appraisal and title binder shall generally be an expense of the donor.

As a general rule, accepted gifts of tangible personal property may be sold upon receipt.

**C. 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 may be sold upon receipt. In some cases marketable securities may be restricted by applicable securities laws. In such instance the final determination on acceptance shall be made by the Gift Acceptance Committee.

**D. Closely Held Securities**

Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in LLPs and LLCs or other ownership forms, can be accepted subject to the approval of the Gift Acceptance Committee. 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. As a general rule, accepted gifts of closely held securities may be sold upon receipt.

**E. Real Estate**

Prior to acceptance of real estate, LASRC will require an initial environmental review of the property to ensure that the property has no environmental damage or special requirements. Environmental inspection forms will be developed and made available as needed at the time of the intended donation. In the event that the initial inspection reveals a potential problem, LASRC will retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

LASRC will also require an appraisal of the property, and, when appropriate, will obtain a title binder prior to the acceptance of the real property gift. The cost of the appraisal and title binder shall generally be an expense of the donor. Criteria for acceptance of the property shall include:

- » Is the property useful for the purposes of LASRC?
- » Is the property marketable?
- » Are there any restrictions, reservations, easements, or other limitations associated with the property, including restrictions on its transferability?

- » 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 or otherwise restricted?

F. Life Insurance Policies

LASRC must be named as both beneficiary and irrevocable owner of a life insurance policy before such policy can be recorded as a gift. LASRC will ask that the donor contribute all future premium payments. Valuation of life insurance gifts may require the advice of outside financial and/or legal advisors upon acceptance of each gift.

G. Charitable Remainder Trusts

LASRC may accept designation as remainder beneficiary of a charitable remainder trust.

H. Charitable Lead Trusts

LASRC may accept a designation as income beneficiary of a charitable lead trust.

I. Retirement Plan Beneficiary Designations

LASRC encourages donors and supporters to name LASRC as a beneficiary of their retirement plans. Such designations will not be recorded as gifts to LASRC until such time as the gift is irrevocable.

J. Bequests

LASRC encourages donors and supporters to make bequests under their wills and trusts. Such bequests will not be recorded as gifts to LASRC until such time as the gift is irrevocable.

K. Life Insurance Beneficiary Designations

LASRC encourages donors and supporters to name LASRC as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts until such time as the gift is irrevocable.

**VII Stewardship**

In accepting a gift, LASRC also accepts a responsibility to administer the gift properly, provide formal acknowledgement and financial information about the gift, comply with donor requests for anonymity and, if agreed when the gift is accepted, report to the donor about use of the funds.

**VIII Changes to Gift Acceptance Policies**

LASRC's Gift Acceptance Committee has reviewed and accepted these policies and guidelines. The Gift Acceptance Committee intends to arrange for annual reviews of this policy and must approve any future changes.

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