

DOWNINGTOWN LIBRARY COMPANY GIFT ACCEPTANCE POLICY

The Downingtown Library Company (DLC) will solicit and accept gifts that are consistent with its mission and that support its core programs and special projects. Donations and other forms of support will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities. Under the Pennsylvania Library Code, Article IV, Section 416, the Library Board of Trustees may accept donations of books, money, personal property or real estate for the benefit of the Library. The Library Director or designee shall be the agent and administrator for all donations, deeds, gifts, devices or bequests accepted by the DLC.

When considering whether to solicit or accept gifts the DLC will consider the following factors:

Values – Whether the acceptance of the gift compromises any of the core values of the DLC.

Compatibility – Whether there is compatibility between the intent of the donor and the DLC's use of the gift.

Public Relationship – Whether acceptance of the gift damages the reputation of the DLC.

Primary Benefit – Whether the primary benefit is to DLC, versus the donor.

Consistency – Whether the acceptance of the gift is consistent with prior practice

Form of Gift – Whether the gift is offered in a form that the DLC can use without incurring substantial expense or difficult

Effect on Future Giving – Whether the gift will encourage or discourage future gifts

The DLC does not accept any responsibility for tax or real estate planning consequences.

The DLC may seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. The DLC will request that the donor cover any legal costs; if the donor declines, the DLC will decide whether to accept or reject the gift. . Review by counsel is recommended for:

- Gifts of securities that are subject to restrictions or buy-sell agreements. Documents naming the DLC as trustee or requiring the DLC to act in any fiduciary capacity.
- Gifts requiring the DLC to assume financial or other obligations.
- Transactions with potential conflicts of interest.
- Gifts of property which may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts

The DLC will not accept gifts that:

- would result in the DLC violating its corporate charter.

- would result in the DLC losing its status as an IRS § 501(c)(3) not-for-profit organization.
- are too difficult or too expensive to administer in relation to their value.
- would result in any unacceptable consequences for the DLC.
- are anonymous with financial obligations incurred by the DLC.

Gifts Generally Accepted Without Review

Cash - Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), card number, expiration date, and name of the cardholder as it appears on the credit card.

Marketable Securities - Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with all appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by the DLC's Finance Committee of the Board. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Executive Committee.

Gifts Subject to Prior Review

Examples of gifts subject to prior professional review include, but are not limited to:

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans -

Donors are encouraged to make bequests to the DLC under their wills, and to name the DLC as the beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans.

Tangible Personal Property - The Executive Committee of the Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- Whether the property furthers the DLC's mission.
- Whether the property is marketable.
- Whether there are any unacceptable restrictions imposed on the property.
- Whether there any carrying costs for the property for which the DLC may be responsible.
- Whether the title/provenance of the property is clear.

Life Insurance - The DLC will accept gifts of life insurance where the DLC is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

Real Estate - All gifts of real estate are subject to review by the Executive Committee of the Board. Prior to acceptance of any gift of real estate, the DLC shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the DLC may request that the donor contract a qualified environmental firm to conduct an environmental audit. The DLC will request that the donor cover all potential costs; if the donor declines, the DLC has the right to reject the gift.

- Criteria for acceptance of gifts of real estate include:
 - Whether the property is useful for the organization's purposes.
 - Whether the property is readily marketable.
 - Whether there are any covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property.
 - Whether there are carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property.
 - Whether the environmental review or audit reflects that the property is damaged or otherwise requires remediation.

Adopted June 21, 2018