Approved March 8, 2008

Mathematical Sciences Research Institute
Gift Acceptance Policies and Guidelines

The Mathematical Sciences Research Institute (MSRI) exists to further mathematical research through broadly based programs in the mathematical sciences and closely related activities.

From its beginning in 1982 the MSRI has been primarily funded by the NSF with additional support from other government agencies, private foundations, and academic and corporate sponsors. Now 2000 mathematical scientists visit MSRI each year, many for substantial periods.

1. Purpose of Policies and Guidelines

The Board of Trustees of the MSRI and its staff solicit current and deferred gifts from individuals, corporations, foundations, and government agencies to support the needs of the MSRI. This policy governs the acceptance of gifts by the MSRI in order to ensure that the MSRI's interests are fulfilled and protected and that donors are in agreement and understand how their gift will be utilized. The provisions of this policy shall apply to all gifts received by MSRI for any of its programs or services.

Responsibilities

<u>The MSRI Board of Trustees</u> (Board) is responsible for the approval of gift policies.

<u>The MSRI Development Committee</u> (Development Committee) provides oversight to the implementation of this policy and has responsibility to develop, modify, and endorse a gift policy to the Steering Committee for Board approval.

<u>The Gift Acceptance Committee</u> (GAC), a subcommittee of the Development and Finance Committees, reviews and approves or denies acceptance of any gifts with significant issues that conflict with these Policies and Guidelines. The GAC is composed of the Director, Director of Development, Chief Financial Officer / Chief Administrative Officer, Board Chair (or his or her designate) and Finance Committee Chair (or his or her designate) and is responsible for reviewing and accepting gifts that are exceptions to the policies as noted below. Any gift acceptance issues that significantly conflict with this policy will be reviewed and endorsed by the GAC to the Steering Committee and then to the Board for final approval.

<u>MSRI staff</u>, with Development Department review, may accept gifts that fall within these policy guidelines.

<u>The Development Department</u> working in coordination with the Finance Department and Director is responsible for developing gift agreements (where appropriate), administration of gifts including issuing gift acknowledgments and documenting the purpose of all charitable gifts, in compliance with IRS codes, and in accordance with the procedures established by the MSRI. The Development Department is also responsible for donor stewardship.

<u>The Finance Department</u> is responsible for proper accounting of gifts and endowment funds, reviews financial statements and reports for planned gifts, and complies with all IRS, accounting, and audit requirements for donated funds.

Gift Acceptance

The MSRI will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are consistent with the MSRI's stated mission, purposes, and priorities. Because the acceptance of a gift involves a legal obligation to use the gift for the specified purposes of the MSRI and may involve commitments that will exist in perpetuity, the authority to accept gifts is held by the Board. The Board, Executive Director and MSRI staff are subject to the policies and guidelines set forth in this document. The GAC is delegated the authority to accept gifts on behalf of the Board. The GAC will be convened as needed and decisions will be made by consensus.

Under these policy guidelines, a gift may be accepted by staff (with joint review by the Development Department) if the gift meets the requirements outlined in the guidelines. Other gifts or exceptions will require review and approval of the GAC or the Board.

Collectable Objects/Artifacts – Gifts of books or collectable objects or artifacts intended to be used or displayed at the Institute will follow the process described in the Policy for the Acquisition of Objects (see Appendix I).

Gifts with Restrictions

Gifts as determined by the GAC to be overly restrictive in conditions will not be accepted. Gifts that are overly restrictive may include gifts that are difficult to administer, gifts that are for purposes outside the MSRI's mission/priorities or gifts that include extraordinary recognition requirements. The GAC will report any gifts that are to be turned down to the Development and Steering Committees.

Gifts that are restricted to a purpose or with conditions not associated with a planned/approved program or activity of the MSRI will be accepted only with the approval of the GAC.

Endowment or "Planned" gift restrictions - It is the intent of the MSRI to minimize restrictions on endowment gifts. Donors are encouraged to make gifts to the endowment without restrictions. However, a donor who makes a restricted endowment gift will be encouraged to include a clause allowing the Board to redirect the revenue if the original program or purpose ceases to be appropriate for the MSRI. The principal of specifically restricted endowment gifts will be maintained in perpetuity or until such time or such occurrence as specified or agreed to by the donor at the time of the gift.

Donors who disclose a planned gift to the MSRI will be encouraged to indicate the unrestricted or specific purpose of their gift. When the gift is received by the MSRI, if no specific purpose is stated, the gift will go to the unrestricted endowment fund.

Miscellaneous Provisions

Securing appraisals and legal fees for gifts to the MSRI. It will be the responsibility of the donor to secure appraisals (when required) and independent legal counsel for all gifts. The MSRI generally does not pay legal fees for advice to donors or for the preparation of documents for an estate planned gift.

Valuation of gifts for Development Department purposes. The MSRI will record a gift received at its valuation for gift purposes on the effective date of the gift.

Responsibility for IRS Filing upon sale of gift items. The Development and Finance Departments of the MSRI are responsible for filing IRS Form 8282 upon the sale, exchange, consumption or other disposition of any asset sold within three years of receipt when the charitable deduction value of the item is more than $5,000. The MSRI must file this form within 125 days of the date of sale or disposition of the asset.

Conflict of Interest

Staff and volunteers of the MSRI will urge prospective donors to seek the assistance of legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The MSRI will comply with the *Model of Standards of Practice for the Charitable Gift Planner* of the National Committee on Planned Giving and the *Donor Bill of Rights* of the Association of Fundraising Professionals, shown as Appendices II and III.

2. Use of Legal Counsel

The MSRI and its Board shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate as part of its fiduciary responsibility. Legal counsel should be independent. In general, legal advice for *donors* is not obtained or paid for by the MSRI. However, review by counsel is recommended for the following gifts and transactions:

1) Closely held stock transfers that are subject to restrictions or buy-sell agreements.
2) Gifts transactions involving contracts or legal documents, such as bargain sales, remainder interests in property, or other gift documents requiring the MSRI to assume obligation.
3) Gift transactions with potential conflicts of interest involving the Board or staff. (These might include use of board members as sales agents in transactions, leases of gift property to staff or board, etc.)
4) Other instances in which use of counsel is deemed appropriate by the Board.

Types of Gifts

A gift is defined as anything of assignable value that is voluntarily and legally transferred to the MSRI's ownership and possession. A gift is a contribution to the MSRI that is donative in intent, bestowed voluntarily, without expectation of tangible compensation, for which, in general, contractual or grants requirements are not imposed. Gifts are made irrevocably.

The following types of assets and gift methods are acceptable.

Assets:
- Cash
- Securities
- Tangible Personal Property
- Real Estate
- Life Insurance
- Retirement Funds

Gift methods:
- Outright lifetime gift
- Pledge
- Charitable Lead Trust
- Bequest
- Retirement Plan Beneficiary Designation
- Charitable Remainder Trust
- Pooled Income Fund (not currently established)
- Charitable Gift Annuity
- Bargain Sale
- Remainder Interest in Real Property (Retained Life Estate)

The following briefly describes the types of gifts accepted by the MSRI, gift criteria governing the acceptance of gifts, and (in italics) accounting standards for recording gift income in the financial statements of the MSRI.

Assets

1) **Cash.** Cash is acceptable in any form, currency, coins, checks, credit card sales, drafts, travelers' checks, and money orders. Checks, drafts and money orders shall be made payable to the MSRI and shall be delivered to the Development Department.

   Cash gifts are reported in the amount given as of the date the MSRI receives them.

2) **Securities.** The MSRI can accept both publicly traded securities and closely held securities.

   Publicly Traded Securities - Marketable securities may be transferred to an account maintained by the MSRI at one or more brokerage firms (e.g., Credit Suisse) or delivered physically with the donor's signature on a separate stock power. As a general rule, all marketable securities shall be sold upon receipt.

   Marketable securities are recorded in the Development records at the average of the high and low quoted trading prices (or the average of the bid/ask in the case of certain securities) on the date the donor relinquishes dominion and control of the assets in favor of the MSRI.

   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 only be accepted subject to the approval of the Gift Acceptance Committee. These gifts must be reviewed by members of the Finance and Development department staff prior to acceptance to determine:

   - There are no restrictions on the security that would prevent the MSRI from converting the asset into cash;
   - The security is marketable; and
   - The security will not generate any undesirable tax consequences, financial liabilities or extensive management responsibilities for the MSRI.

   If potential problems arise on initial review of the security, further review and recommendation by an outside professional and legal counsel may be sought before making a final decision on acceptance. Closely held securities will be sold as quickly as possible.

   Gifts of closely held stock exceeding $5,000 in value are reported at the fair value placed on the stock by a qualified independent appraiser as required by the IRS for valuing gift of stock not publicly traded. The MSRI may obtain the appraiser's valuation figure from IRS Form 8283, on which the donor must obtain the signature of the appraiser. Gifts of less than $5,000 may be valued at the per-share cash purchase price of the most recent transaction. (Normally, this transaction is the redemption of the stock by the corporation issuing the stock.).

   Donors of gifts of securities are encouraged to complete the "Securities Transfer Form" available at www.msri.org.

3) **Tangible Personal Property.** This includes personal or business property (except securities and real property), including contributions of books, works of art, scientific, and other equipment.

These gifts are generally reported at fair market value as determined by an independent appraiser or other reliable market indicator. The acceptance of property donated for the library collection of the MSRI or for display shall be governed by the Policy for the Acquisition of Objects for the MSRI (Appendix I). All tangible personal property gifts shall be examined according to the following criteria:

- Does the property help further the mission and goals of the MSRI?
- Is the property marketable?
- Are there restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?

Gifts of tangible personal property are reported at their full fair-market value regardless of the value the donor may be able to claim as a charitable deduction. IRS requirements for gift substantiation note that the donor has the responsibility for valuing property for tax deduction purposes. Gifts of tangible personal property given to the MSRI with a fair-market value of more than $5,000 should be counted at the values placed on them by qualified independent appraisers, as required by the IRS for valuing non-cash charitable contributions and reported to the IRS on form 8283.

4) **In Kind Gifts of Services.** In kind gifts of services may be accepted by staff. In kind gifts of significant value such as construction management will be reviewed by the GAC and where applicable follow University of California, Berkeley guidelines and policies.

5) **Real Estate.** Gifts of real estate may include developed property, undeveloped property, or gifts subject to a life interest. In general, real estate will not be retained by the MSRI, but will be sold immediately. Contiguous property or property appropriate for MSRI's operations, for housing its members, or for the production of income, may be considered for acquisition rather than sale. Because of the staff, legal and financial costs of evaluating real property, a gift will generally need to have an equity value in excess of $100,000 to be evaluated by the MSRI. Additionally, the donor will be asked to complete a Letter of Understanding indicating that if the property is acceptable, it will be donated, prior to the MSRI undertaking the time consuming and costly task of evaluating the property.

Prior to acceptance of commercial or rural real estate, the MSRI shall require an initial environmental review of the property to ensure that the property has no environmental damage. In the event that the initial inspection reveals a potential problem, the MSRI shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environment audit(s) shall generally be borne by the donor.

When appropriate, a title report shall be obtained by the MSRI prior to the acceptance of the real property. The cost of the report shall generally be an expense of the donor.

Prior to final acceptance of real property, the Gift Acceptance Committee shall review and approve the gift. Criteria for acceptance of the property shall include:

- Is the property marketable? Is there clear title?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there any 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?

- Additional information will be requested with real estate information checklists and evaluation criteria.

Gifts of real property that qualify as charitable deductions for a donor are recorded at the appraised fair-market value, as valued by an independent appraiser immediately prior or following the completed gift transaction. IRS requirements for substantiation note that the donor has the responsibility for valuing real property for tax deduction purposes and reporting the gift on IRS form 8283.

6) **Life Insurance.** The MSRI will accept gifts of insurance policies when it is named as both beneficiary and irrevocable owner of an insurance policy. The insurance gift will be valued at its cash surrender value upon receipt. If the donor contributes future premium payments, the MSRI will consider the entire amount of the additional payment as a gift in the year that it was made.

If the donor does not elect to continue to make gifts to cover the premium payments on the life insurance policy, the MSRI may:

- Continue to pay the premiums;
- Convert the policy to paid up insurance; or
- Surrender the policy for its current cash value.

The MSRI may also be named beneficiary of a life insurance policy and while there will be no immediate gift, the proceeds will benefit the MSRI at the policy's termination.

For accounting purposes, the face value of a life insurance policy should not be counted in fundraising totals before the death of the donor, even if the MSRI is the owner and irrevocable beneficiary of the policy. Premiums paid by the donor should be reported as gift income. Realized death benefits from a policy, less any previously reported cash surrender values and premiums paid by the donor, should be recorded as a gift on the date the MSRI receives the net proceeds of the policy.

7) **Retirement Plan Beneficiary Designations.** Friends of the MSRI will be encouraged to make qualified outright gifts to the MSRI and to name the MSRI as beneficiary of their retirement plans. Outright transfers from IRAs must conform to current IRS regulations including age of participant and maximum cumulative transfers. The gift must be made directly to the MSRI and spousal consents must be obtained where required by law.

Outright transfers will be recorded as gifts on the date when the transfer is made to the MSRI.

Beneficiary designations will not be recorded as gifts to the MSRI unless the beneficiary designation 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.

Gift Methods

1) **Outright gifts.** Are immediately available for the purposes of the MSRI and can fulfill the donor's intention as soon as completed.

Gift accounting will reflect the nature of the property contributed as outlined above.

2) **Pledges.** Pledges are gifts to be paid in installments by a donor within an agreed upon time frame. Pledges must be in writing.

Pledges are reported as assets at their net present value at the time of receipt by the MSRI.

3) **Charitable Lead Trusts.** The MSRI may accept a designation as income beneficiary of a charitable lead trust. The MSRI will not serve as trustee of a charitable lead trust.

Because charitable lead trusts are not deferred gifts, but are immediate gifts in trust that pay over a period of time, the face value is reported and counted as a pledge.

4) **Bequests.** Friends of the MSRI will be encouraged to make bequests through their wills and trusts.

Bequests will not be recorded as gifts to the MSRI 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.

5) **Charitable Remainder Trusts.** The MSRI may accept designation as remainder beneficiary of a charitable remainder trust. The MSRI will not serve as trustee of a charitable remainder trust, but will provide information to donors regarding charitable remainder trusts and assist them in identifying an appropriate trustee.

Gifts made to establish charitable remainder trusts, where the remainder is not subject to change or revocation, should be credited as deferred gifts at both the discounted net present value of the remainder interest allowable as a deduction by the IRS and at the fair-market value.

6) **Pooled Income Funds.** The MSRI may accept designation as remainder beneficiary of a Pooled Income Fund maintained by the MSRI. (The MSRI currently has no Pooled Income Fund established.)

Gifts made to the pooled income fund should be credited as deferred gifts at both the discounted net present value of the remainder interest allowable as a deduction by the IRS and at the fair-market value.

7) **Bargain Sales.** The MSRI will enter into a bargain sale arrangement for gifts of real property in instances in which the bargain sale furthers the mission and purposes of the MSRI. The real property will be subject to the acceptance provisions stated above. All bargain sales must be reviewed by the Gift Acceptance Committee and approved by the Board. To determine the appropriateness of the transaction the MSRI must:

- Obtain an independent appraisal substantiating the value of the property. The gift portion must be at least 50% of the gift or have a minimum value of $100,000.
- Determine that it will use the property, or that there is a market for sale of the property, allowing sale within 12 months of receipt.
- Calculate the costs to safeguard, insure, and expense the property (including property taxes) during the holding period.

The gift portion of a bargain sale qualifies for a charitable tax deduction. The deduction equals the difference between the fair-market value and the reduced price—the transaction is thus part sale and part gift to the MSRI. The gift to the MSRI is counted as the amount of cash received from the transaction.

8) **Remainder Interest in Property.** The MSRI will accept a remainder interest in a personal residence, farm, or vacation property subject to the real property provisions stated 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, the MSRI may use the property or sell it. The donor or primary beneficiary is responsible for expenses for maintenance, real estate taxes, insurance, and property indebtedness, the donor or the primary beneficiary is to pay. The property must be inspected each year by the MSRI and a checklist reviewed with the donor and/or primary beneficiary to ensure that maintenance, taxes and insurance are current.

A gift of a remainder interest in a personal residence, farm, or vacation property should be reported as a deferred gift at both the remainder (net present) value recognized as an allowable deduction by the IRS and at the fair-market value.

9) **Charitable Gift Annuity.** The MSRI may be designated as the beneficiary of a charitable gift annuity written by a sponsoring organization. The MSRI is not currently authorized to offer gift annuities.

Gifts made to establish charitable gift annuities, where the remainder is not subject to change or revocation, should be credited as deferred gifts at both the discounted net present value of the remainder interest allowable as a deduction and at the fair market value.

Any gift method not described in these policies shall be subject to review by the Gift Acceptance Committee.

Definitions

TANGIBLE PROPERTY—gifts of personal or business property (except securities and real property), including gifts of research collections, libraries, works of art, books, animals, historical objects, natural history specimens, and scientific and other equipment.

SECURITIES—stocks, mutual funds, index shares, bonds, and promissory notes.

BEQUEST OR TESTAMENTARY TRUST—any donation given to the MSRI by provisions of a will or by court order at the distribution of trust or estate assets following a donor's death.

REAL ESTATE—real estate, including land, buildings, and other improvements, and oil, mineral, and related rights.

DEFERRED OR PLANNED GIFT—a future charitable contribution to the MSRI made through bequest, charitable trust, pooled income fund, life estate agreement, retirement plan, life insurance, or similar vehicle.

ENDOWMENT—a fund derived from a gift or bequest, the terms of which stipulate that the fund principal must remain inviolate in perpetuity and is to be invested for the purpose of producing present and future income or returns, which may be expended according to the donor's wishes. If any restriction is placed upon the use of the funds it must be observed, unless language has been included by the donor that permits the MSRI to redirect the purpose if it becomes unfeasible or obsolete.

BOARD DESIGNATED FUND—a fund, the principal of which has been set aside by administrative action of the Board to be invested in the manner of an endowment. The principal is held inviolate, but the decision to do so may be reversed by appropriate administrative action. Also called "quasi-endowment."

Approved March 8, 2008

Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Board of Trustees of the Mathematical Sciences Research Institute. The Board must approve any changes to, or deviations from, these policies.

Board approved on the _______________day of _______________, 2008.

Appendices:
I - Policy for Acquisition of Books or Objects for Display
II - Model Standards of Practice of the Charitable Gift Planner
III – Association of Fundraising Professionals Donor Bill of Rights

Approved March 8, 2008

Appendix I.

POLICY FOR ACQUISITION OF BOOKS OR OBJECTS FOR DISPLAY

ACQUISITION BY GIFT OR TRANSFER

1. The MSRI solicits and accepts gifts of tangible personal property and transfers from institutions or agencies to add to its library and collections.

2. MSRI staff will make reasonable efforts to determine that the donor or transferring party has the legal right to give or transfer the object(s). In signing the Gift Agreement of Receipt of transfer, the donor or transferring party warrants that they do have such a right.

3. The decision to accept or decline gifts or transfers offered to the MSRI is based on professional judgment regarding relevance of the book or object(s) to the MSRI's mission, relation to other books and objects already in the collections, evaluation of physical condition of the object(s), and the ability to maintain and preserve the object(s). Approval rests with the Librarian and / or Director.

4. Gifts or transfers to the MSRI shall be unconditional and without restrictions except as noted below. Gifts or transfers will be reported by the Librarian to the Director of Development for gift receipt and acknowledgment.

5. Donors seeking a tax deduction for gifts to the MSRI are encouraged to obtain an appraisal from a qualified appraiser. MSRI staff do not provide appraisals. MSRI staff may suggest qualified appraisers to donors. MSRI staff may also report to the donor the insurance value placed on donated object(s) although this value is not necessarily the fair market value as required for tax deductions.

6. Donors seeking a tax deduction for gifts valued at $5,000 or more must provide a written appraisal to the Internal Revenue Service (IRS) with a copy

to the MSRI. Appraisals must be prepared by a "disinterested party" and be sent to the IRS along with the donor's tax return and a signed Form 8283. MSRI staff do not qualify as "disinterested party" for IRS purposes.

7. Gifts offered to the MSRI for sale rather than for addition to its collection will be accepted and sold. Acceptance of gifts to be held by the MSRI for two years prior to sale is strongly discouraged. If objects for sale were given expressly to support a particular program or activity, funds realized from the sale will be credited to that program or activity and spent at the discretion of the Director, less any direct costs of the sale incurred by the MSRI.

ACQUISITION BY BEQUEST

1. Bequests of books or objects made to the MSRI, are generally accepted unconditionally and without restrictions. If a bequest is made with restrictions, the MSRI retains the right to refuse the bequest if it is in its best interests not to honor the restrictions.

2. Unless restrictions prohibit it, the MSRI reserves the right to accession all or part of bequests or to sell all or part of bequests. Final approval rests with the Librarian / or Director.

ACQUISITION BY LOAN

1. The MSRI accepts loans of art, and artifacts to enhance the experience of its members, that are accepted for a specified period of time. Loans may be accepted from another institution or from a private individual.

2. The decision to accept or decline a loan of objects offered to the MSRI is based on professional judgment regarding relevance of the object(s) to the mission, relation to other objects already in the MSRI's collection, professional evaluation of physical condition of the object(s), and the MSRI's ability to maintain and preserve the book or object(s). Long term loans that do not meet these criteria are prohibited. Final approval rests with the Director.

3. Loans to the MSRI collection shall be for a specified period of time not to exceed seven (7) years. Loans may be renewed upon expiration with the approval of the appropriate Director and the lender.

Appendix II.

MODEL STANDARDS OF PRACTICE FOR THE CHARITABLE GIFT PLANNER

PREAMBLE

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as “Gift Planners”), and by the institutions that these persons represent. This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

1. Primacy of Philanthropic Motivation

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

2. Explanation of Tax Implications

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

3. Full Disclosure

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

4. Compensation

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finder’s fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift is never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

5. Competence and Professionalism

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

6. Consultation with Independent Advisers
A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor's choice.

7. Consultation with Charities
Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planner, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planner shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

8. Description and Representation of Gift
The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

9. Full Compliance
A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

10. Public Trust
Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain. *Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.*

THE DONOR BILL OF RIGHTS WAS CREATED BY THE AMERICAN ASSOCIATION OF FUND RAISING COUNSEL (AAFRC), ASSOCIATION FOR HEALTHCARE PHILANTHROPY (AHP), THE ASSOCIATION OF FUNDRAISING PROFESSIONALS (AFP), AND THE COUNCIL FOR ADVANCEMENT AND SUPPORT OF EDUCATION (CASE). IT HAS BEEN ENDORSED BY NUMEROUS ORGANIZATIONS.

THE DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.