



TUCSON AMATEUR ASTRONOMY ASSOCIATION GIFT ACCEPTANCE POLICY

MISSION

The Tucson Amateur Astronomy Association, Inc. is a private non-profit organization whose mission is to promote interest in, knowledge about and enthusiasm for the night sky and celestial wonders. It provides opportunities for members and the public to share the joy and excitement of astronomy through observing, education and fun.

GIFT ACCEPTANCE POLICY

PURPOSE

This policy serves as a guideline for the Tucson Amateur Astronomy Association (TAAA) staff, board members, volunteers, outside advisors' who assist in the gift planning and solicitation process, and prospective donors who wish to make gifts to TAAA of unrestricted, restricted and endowment funds. TAAA actively solicits gifts and grants to further the mission of TAAA. As gifts can encourage others to give or do the opposite, this gift acceptance policy is intended only as a guide and allows for flexibility on a case-by-case basis.

GUIDELINES

1. The President of TAAA, the CAC Director, and any Board members, volunteers, or staff of TAAA so designated, have authority to solicit and/or accept gifts on behalf of TAAA.
2. The President of TAAA may establish a Gift Review Committee responsible for recommending whether or not TAAA should accept proposed gifts. The Committee shall consist of no less than three members from the Board of Directors. The President shall have the authority to appoint other volunteers or members of TAAA, on an ad hoc basis, who have special expertise that may be needed in order to make a decision on a specific gift.
3. The Gift Review Committee may consider each gift according to its intended use, restrictions, liabilities and financial impact on TAAA, now and in the future. Only gifts, bequests, devises, endowments, trusts and similar funds that are designated for the use of TAAA consistent with the stated goals and mission will be considered for acceptance.
4. The gift solicitor will refer to the Gift Review Committee, before acceptance, gifts that are given with unusual restrictions or designations have the potential of jeopardizing the tax-exempt status or violating TAAA policies, local, state or federal laws.

TYPES OF GIFTS

CASH

- TAAA, regardless of amount, shall accept all gifts by cash, credit card, or check.
- Checks shall be made payable to Tucson Amateur Astronomy Association (TAAA), unless otherwise



TUCSON AMATEUR ASTRONOMY ASSOCIATION GIFT ACCEPTANCE POLICY

specified. In no event shall a check be made payable to an individual who represents TAAA.

PUBLICLY TRADED SECURITIES

- TAAA can accept readily marketable securities, such as those traded on a stock exchange.
- Gift securities are likely to be sold immediately by TAAA.
- For TAAA's gift crediting and accounting purposes, the value of the securities is the average of the high and low on the date of the gift, in accordance with IRS regulations.

CLOSELY HELD SECURITIES

- Gifts of closely held corporate stock would be carried on TAAA's books at \$1 in the absence of financial information that would enable determination of book value.
- Such securities will be carried at book value until audited financial statements are provided to TAAA so that book value can be substantiated, or the donor provides a qualified appraisal in compliance with IRS regulations.
- An appraisal of securities may be conducted under the direction of TAAA to determine both value and potential for sale.
- Gifts of securities that require a holding period will be accepted and sold when the holding period has expired.
- Gifts of securities that will not be accepted include: securities that are assessable or in any way could create a liability to TAAA; securities that, by their nature, may not be assigned (such as "S" corporation stock); securities that on investigation have no apparent value.

REAL ESTATE

- The Board or Gifts Review Committee will review gifts of real estate.
- The donor is responsible for obtaining an appraisal of the property, unless otherwise determined by TAAA.
- A member of the Board or Gifts Review Committee must conduct a visual inspection of the property. If the property is located in a geographically distant area, a local real estate broker may substitute for a member of the Committee in conducting the visual inspection. TAAA may also require an environmental site assessment for possible contamination, (i.e., leaking underground storage tanks) or other restrictions (i.e., wetlands).
- Due to the expenses associated with gifts of real estate, only gifts valued in excess of \$10,000 will be accepted.



TUCSON AMATEUR ASTRONOMY ASSOCIATION GIFT ACCEPTANCE POLICY

- Prior to presentation to TAAA Board, the donor must provide the following documents: real estate deed; real estate tax bill; plot plan; substantiation of zoning status; environmental site assessment.
- If the donor is giving a life estate gift, the donor may be asked to pay for all or a portion of the following: maintenance cost; real estate taxes; insurance; real estate broker's commission and other costs of sale; appraisal costs.
- If the real estate is an outright gift, TAAA may pay for these costs.
- For TAAA's gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate, excluding any costs to TAAA for insurance, real estate taxes, broker's commission, or other expenses of the sale.
- Properties with mortgages will be considered on a case-by-case basis. Consideration may include an independent appraisal and the mortgage percentage of property value. Mortgaged property is not acceptable for charitable remainder trusts.

LIFE INSURANCE

- TAAA will accept gifts of life insurance policies only when TAAA is named as the owner and beneficiary of 100% of the policy.
- If the policy is paid-up, the value of the gift for TAAA's gift crediting and accounting purposes is the policy's replacement costs.
- If the policy is partially paid up, the value of the gift for TAAA's gift crediting and accounting purposes is the policy's cash surrender value.

TANGIBLE PERSONAL PROPERTY

- Gifts of tangible personal property to TAAA should have a use related to TAAA's exempt purpose.
- Gifts of jewelry, artwork, collections, equipment, and software shall be accepted with approval by TAAA. Other matters that will be taken into consideration by TAAA before deciding on acceptable gifts of personal property include: transportation cost; storage cost; cost of selling; cost of maintenance and repairs; location of property; cost of insurance.
- Such gifts of tangible personal property defined above shall be used by or sold for the benefit of TAAA.
- Depending upon the anticipated value of the gift, TAAA shall have a qualified outside appraiser value the gift before accepting it.



TUCSON AMATEUR ASTRONOMY ASSOCIATION GIFT ACCEPTANCE POLICY

- TAAA adheres to all IRS requirements for disposing gifts of tangible personal property and filing appropriate forms (vehicles and vessels).

PLANNED GIFTS AND MEMORIALS

- The staff and volunteers shall encourage assets transferred through bequests that have immediate value to TAAA, or that can be liquidated. Gifts that appear to require more cost than benefit shall be discouraged or rejected.

- TAAA may accept and administer bequests and memorials designated for specific purposes.
- ### ADMINISTRATIVE ISSUES

- TAAA and its staff shall not act as an executor (personal representative) for a donor's estate.
- TAAA may act as co-trustee of a charitable trust when the trust names TAAA as a beneficiary of 50% or more of the trust.
- TAAA will pay for the drafting of legal documents for a charitable remainder trust of which TAAA is named as a beneficiary of 50% or more of the trust. The donor's own counsel must review the documents at the donor's cost.
- Terms and conditions must be agreed upon before a restricted endowment is established; therefore, contact with TAAA's Chairman for appropriate documentation is required.
- For restricted and endowed funds, if future circumstances change, or the donor fails to fulfill his pledge obligation, or the purpose for which the fund is established becomes illegal, impractical, or no longer meets the needs of TAAA, TAAA may designate an alternative use in the spirit of the donor's original intent for the gift to further the objectives of TAAA.