William Butterworth Foundation
Gifts and Acquisitions Acceptance Policy

This policy was last reviewed and adopted on August 2, 2022.

PURPOSE

The William Butterworth Foundation ("Foundation") operates, as defined by Internal Revenue Code 501(c)(3), as an organization that is charitable in nature exclusively for exempt purposes. None of its earnings may inure to any private individual. The Board of Directors will follow appropriate legal statutes and regulations, as well as its internal policies, regarding the acceptance of gifts and donations. The goal is to protect the Foundation's not-for-profit status and to preserve its integrity and accountability among donors, the community, and relevant government oversight agencies, such as the Internal Revenue Service (IRS).

The Foundation does not provide legal, accounting, tax, or other advice to donors. Donors are responsible for ensuring that the proposed gift furthers their charitable, financial and estate planning goals and are urged to seek the advice of independent legal counsel in the gift planning process.

Objectives

1. Treat all donors in a professional, ethical, donor-centered, and fair manner. A gift shall not be accepted by the Foundation if such acceptance would not be in the interest of the Foundation.
2. Inform prospective donors as quickly as possible regarding the acceptance or denial of their proposed gifts.
3. Ensure that the Foundation's interests are protected by not accepting real property and monetary gifts that could jeopardize its not-for-profit status.
4. Avoid accepting gifts that require excessive service or repair costs or that might expose the Foundation to adverse publicity.
5. Direct staff and volunteer efforts towards gift opportunities that will be most beneficial to the Foundation and further the mission established by the Board of Directors: "Honoring our heritage by supporting service, culture and education in the Quad Cities community."
6. Steward donors and gifts to the Foundation, abiding by the industry-standard Donor Bill of Rights. (Appendix A)

GIFT ACCEPTANCE COMMITTEE

The Gift Acceptance Committee is the Executive Committee and the Executive Director. They may choose to consult with other Foundation committees, third party advisors, or legal counsel in making their determinations.

Non-cash gifts valued at less than $5,000 may be accepted or rejected by the Executive Director or reviewed by the Gift Acceptance Committee at the Executive Director's discretion. Any gift with restrictions or non-cash gifts valued at more than $5,000 will be reviewed by the Gift Acceptance Committee.

GUIDELINES FOR ACCEPTING GIFTS

Bequests

In order to ensure that bequests are properly designated and in the best interests of the donor, the Foundation staff will urge the donor to obtain the advice of a professional advisor and will provide sample bequest language for restricted and unrestricted gifts, including endowments. In addition, the Foundation staff will invite the donor to provide to the Foundation a confidential copy of that section of the donor's will naming the Foundation as a beneficiary. If a donor proposes to bequeath to the Foundation property other than cash or marketable securities, the Foundation will advise the donor that the property must satisfy these policies and guidelines.

Cash

The Foundation will accept a current cash gift of any amount. A donor may also make a cash pledge. Due to the costs of administering pledges, the minimum pledge installment will be $25, and pledges may be paid over a maximum period of five years or the end of a campaign period. The Gift Acceptance Committee has the discretion to allow a donor to make a pledge that extends past the maximum period in exceptional circumstances.

Charitable Gift Annuities

The Foundation may accept designation as a beneficiary of a charitable gift annuity and may work with a third-party organization to administer a Charitable Gift Annuity program as a trustee.

Charitable Lead Trusts

A donor may create a charitable lead trust by irrevocably transferring assets to a trustee who manages the asset and provides a specified distribution of income to a charitable beneficiary or beneficiaries during the term of the trust. At the termination of the trust, the trust corpus is distributed to one or more non-charitable beneficiaries. The Foundation may accept designation as income beneficiary of a charitable lead trust and may work with a third-party organization to establish a trust, but may not serve as trustee of a charitable lead trust.

Charitable Remainder Trusts

A donor may create a charitable remainder trust by irrevocably transferring assets to a trustee who manages the assets and provides a specified distribution of income at least annually to one or more beneficiaries for life or a period not exceeding 20 years. On the death of the beneficiaries or at the end of the trust term, the assets are distributed to the Foundation for its restricted or unrestricted use. The Foundation may accept designation as remainder beneficiary of a charitable remainder trust and may work with a third-party organization to establish a trust, but may not serve as trustee of a charitable remainder trust.

Closely Held Securities

All gifts of closely held stock and other business interests, including limited partnership interests and limited liability company membership interests will be reviewed by the Gift Acceptance Committee. The Foundation may utilize the services of a third-party provider.

The Gift Acceptance Committee will evaluate: (i) any potential cash calls to which the Foundation would be subject as a result of owning such interests, (ii) the probability that the Foundation will be able to liquidate the interests within a reasonable period of time with consideration given to potential liquidity streams from the interest, (iii) whether the acceptance, holding and/or sale of such interests may have adverse tax or other consequences to the Foundation, and (iv) whether the acceptance, holding and/or sale of such interests may expose the Foundation to any other risks or liabilities

Cryptocurrency
Potential donations will be evaluated by the Gift Acceptance Committee. The Foundation may utilize the services of a third-party provider.

Life Insurance
An outright gift of a paid-up life insurance policy to the Foundation will be accepted provided that the Foundation is named owner and irrevocable beneficiary of the policy. If the cash value of the policy exceeds $5,000, the Foundation shall advise the donor that the IRS will require a qualified appraisal. Any other life insurance gift structures may be considered on a case-by-case basis by the Gift Acceptance Committee.

The following considerations will guide the Gift Acceptance Committee:

1. An outright gift of a partially paid-up life insurance policy to the Foundation may be accepted ideally if the Foundation is under no obligation to expend its assets to maintain the policy.
2. In the event a policy is contributed on which premiums remain to be paid, the donor should pledge to continue paying premiums. If the donor does not pledge to continue paying premiums, the gift may be accepted if the donor gives the Foundation permission to determine the most beneficial use of the life insurance policy, including but not limited to cashing out the policy or abandoning the policy.
3. The Foundation may be named as a percentage or contingent beneficiary of a life insurance policy.
4. The Foundation will ideally not participate in split dollar or reverse split dollar life insurance and will not serve as trustee of an irrevocable life insurance trust.

Oil, Gas & Minerals Interests
Potential donations will be evaluated by the Gift Acceptance Committee. The Foundation may utilize the services of a third-party provider.

Publicly-Traded Securities
Securities that are traded on any public Stock Exchanges may be accepted by the Foundation. Securities will be sold upon receipt. In making a gift to the Foundation, donors give up all rights, title, and interest to the contributed securities.

Real Property
Potential donations will be evaluated by the Gift Acceptance Committee. The Foundation may utilize the services of a third-party provider.

The Gift Acceptance Committee may consider gifts of real property made outright with full transfer of title. In determining whether to accept gifts of real property, the Gift Acceptance Committee shall consider the related ongoing costs, such as property taxes, insurance, utilities, and maintenance, as well as any environmental concerns or illiquidity of the property. The Gift Acceptance Committee may request that the donor continue to be responsible for such costs after transferring title to the property to the Foundation. Real property that is encumbered by a trust deed loan or mortgage will be accepted only in exceptional circumstances.

Remainder Interests in Property
The Foundation may accept a remainder interest in a personal residence, farm, or vacation property (excluding time shares) subject to the guidelines contained in these policies and guidelines for gifts of real estate, including review and approval by the Gift Acceptance Committee. The donor or another person may continue to occupy the real property for a term of years or the life of the donor and/or another person. At the termination of the life estate, the Foundation will own the property and may sell it. The donor shall continue to be responsible for property taxes, insurance, utilities, and maintenance during the term of the life estate unless the Foundation, upon prior written approval of the Gift Acceptance Committee, agrees to assume responsibility for any of these items.

Retirement Assets
A donor may gift to the Foundation assets held in an Individual Retirement Accounts (IRAs), 401(k) plans, 403(b) plans, and defined contributions plans. A donor may name the Foundation as successor or contingent beneficiary for all or part of the assets upon the death of either the retirement account owner, or the owner’s spouse. This direction should be made on the beneficiary designation form of the retirement account to avoid probate delays if donated via the donor’s will.

Tangible Personal Property
Gifts of tangible personal property valued at more than $5,000, including jewelry, artwork collections, books, and collectibles, may be accepted only after review and approval by the Gift Acceptance Committee. Gifts valued at less than $5,000 may be accepted by the Executive Director or reviewed by the Committee at the Executive Director’s discretion.

No personal property shall be accepted unless it is to be used to further the mission of the Foundation or the Gift Acceptance Committee can determine an appropriate liquidation plan.

Historic Collections
Gifts of tangible personal property may be made to the William Butterworth Foundation Collection. These items are accepted for their historical value and must be related to the Deere Family, the staff who worked on the property or for the family, the physical site, or the history of the Foundation as determined by the staff (Director of Programs and Collections).

All Collections acquisitions should be accompanied by proper documentation (deed of gift, bill of sale, letter, or memorandum of conveyance) and should include source, provenance, and any known object history. The staff will maintain this information in a permanent manner complying with generally accepted standards for preservation and protection from disaster. The Collections Management Policy provides additional details.

Use
The Foundation accepts tangible personal property intended for mission-related uses. Criteria for gifts for use include: 1) authenticity to the period of the houses, 2) potential for inclusion in educational programming or to support community group use, and/or 3) suitable space to store or display the item(s).

Miscellaneous Provisions

1. **Tax Advice**
   The Foundation is not responsible for providing tax advice to donors regarding the potential for tax deductions for their gift(s).

2. **Conflict of Interest**
   At any step of the process, if a board member is involved either directly or indirectly with the donation in question, that member will refrain from voting and will leave the room during any discussions about the donation.

3. **Acceptance and Acknowledgment of Gifts**
   Donors should make checks payable to the William Butterworth Foundation. The Executive Director and staff ensures that all designated cash gifts are credited to the proper account and disbursed for the purposes designated by the donor. Complete records on all gifts are maintained by the Foundation. If a donor wishes to remain anonymous throughout the giving process, the donor should discuss appropriate arrangements with the Foundation.

4. **Valuation**
   The Foundation will record gifts received by the Foundation on its books according to generally accepted accounting principles and consistent with IRS guidelines.

5. **Appraisals and Fees for Gifts to the Foundation.**
   It is the donor's responsibility to secure a qualified appraisal (where required) of property contributed to the Foundation, and the donor shall pay all costs (including costs of the qualified appraisal, costs of independent legal counsel, and costs of any environmental assessment required) associated with the contribution of property to the Foundation. The Gift Acceptance Committee may make exceptions to this general rule. Tangible personal property valued at $5,000 or more is subject to an appraisal as required by IRS Form 8283.

6. **Responsibility for IRS filings upon sale of gift items**
   The Foundation is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within three years of receipt by the Foundation when the charitable deduction value of the item is more than $500 and is not disbursed with the intention of additional charitable use. The Foundation must file this form within 125 days of the date of sale or disposition of the asset. Acknowledgement of all gifts made to the Foundation

and compliance with the current IRS requirements are the responsibility of the Foundation.

7. Determining Gift Date

a. Mailed gifts - date in the year in which they are postmarked, per IRS guidelines.
b. Hand-delivered gifts - date on the day they are received by a WBF employee.
c. Charge Cards - gifts/payments are the date the charge clears through the Foundation's online credit card merchant services.
d. Electronic Funds Transfers – date deposited in the Foundation's bank account
e. Securities - date supplied by broker (date owner relinquishes control) or if certificates received onsite, as below for other gifts.

POLICY REVIEW

This policy shall be reviewed at least annually and whenever it becomes inconsistent with Treasury regulations or other applicable state or federal laws.