

## THE WETLANDS INSTITUTE GIFT ACCEPTANCE POLICIES AND PROCEDURES

Adopted May 2, 2015

Revised July 21, 2018

The Wetlands Institute, a nonprofit organization headquartered in Cape May County, New Jersey, encourages the solicitation and acceptance of gifts to The Wetlands Institute (hereinafter referred to as TWI) for purposes that will help TWI further and fulfill its mission. The following policies and procedures govern acceptance of gifts made to TWI or for the benefit of any of its endowments or programs.

### I. Purpose of Policies and Procedures

The purpose of this document is to set forth the criteria that TWI and its Development Committee use to determine that a proposed gift is acceptable and to inform prospective donors and their advisors of the types of gifts TWI accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by the Board Chair and/or Development Committee Chair. Complex transactions, such as gifts of real estate, shall be considered by the Board of Trustees.

### II. Use of Legal Counsel

TWI seeks the advice of outside legal counsel as appropriate on matters relating to acceptance of gifts. Review by legal counsel is usually sought in connection with:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements
- Documents naming TWI as Trustee
- Gifts involving contracts, such as bargain sales or other documents requiring TWI to assume a legal obligation
- Transactions with potential conflict of interest that may invoke IRS sanctions
- Other instances in which use of counsel is deemed appropriate by TWI's Board of Trustees or Development Committee.

### III. Communications with Donors

TWI holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or a prospective donor will be granted only if permission is first obtained from the donor.

### IV. Conflict of Interest

TWI does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

### V. Restrictions on Gifts

Unrestricted gifts and gifts for specific programs and purposes may be accepted, provided they are consistent with TWI's mission, purposes and priorities. TWI will not accept gifts that are inconsistent with its mission, purposes or priorities or are judged too difficult to administer.

### VI. Types of Gifts

The following gifts may be considered for acceptance by TWI:

- Cash
- Securities
- Tangible personal property
- Real estate
- Life insurance
- Charitable gift annuities beneficiary designations
- Charitable remainder trusts beneficiary designations
- Charitable lead trusts beneficiary designations
- Retirement plan beneficiary designations

*We encourage donors to consult their own professional advisor when considering any type of planned gift.*

For additional information about any of the above gifts, please contact the Development Office at 609-368-1211 or [ltedesco@wetlandsinstitute.org](mailto:ltedesco@wetlandsinstitute.org). We would be happy to help you determine which type of gift will work best for you.

**The following criteria apply to the acceptance of gifts in these categories:**

**1. Cash:** Cash may be accepted in any negotiable form. Checks must be made payable to The Wetlands Institute and should be mailed or delivered to:

1075 Stone Harbor Blvd  
Stone Harbor, New Jersey 08247

**2. Securities:** TWI can accept publicly traded securities.

Stock & Mutual Funds may be transferred to The Wetlands Institute, with the donor enjoying advantageous income-tax treatment. **Send a letter to your broker indicating the number of shares of each security you wish to give, with instructions for the broker to contact Bonnie Girard at [bgirard@wetlandsinstitute.org](mailto:bgirard@wetlandsinstitute.org) or 609.368.1211.** Please do not instruct your broker to sell on The Wetlands Institute's behalf, and please do not send the securities to a transfer agent to transfer them into The Wetlands Institute's name. Please send a copy of your authorized letter to: The Wetlands Institute, c/o: Finance Office, 1075 Stone Harbor Blvd, Stone Harbor, NJ 08247, including the telephone number of your bank or broker. The date of your gift will be the date on which the ownership of the securities leaves your control. The amount of your gift for tax purposes will be the mean value of the high and low value of each security on the date of transfer, regardless of when your broker received your instructions. If you hold physical stock certificates, please contact Bonnie Girard for specific instructions at 609.368.1211 or [bgirard@wetlandsinstitute.org](mailto:bgirard@wetlandsinstitute.org).

**3. Personal Property:** TWI will accept tangible personal property gifts valued at \$10,000 or greater if the gift will generate adequate revenue for the organization, and meet the purposes for which the gift is intended. In assessing the appropriateness of the gift, TWI will address the following questions:

- Is the property marketable?
- What is the market for and costs of transportation to market and sale?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs (insurance, storage, ongoing maintenance) for the property?

**4. Real Estate:** TWI will consider real property gifts. Gifts of real estate may include a primary home, vacation property, vacant land, wetlands, farmland or ranch, or commercial property. TWI will also consider Life Estate gifts where the donor can donate the property, get an immediate tax deduction, and remain living in the home for the remainder of their life.

Prior to acceptance of real estate, TWI requires an initial environmental review of the property to ensure that the property is free of environmental damage. In the event that the initial inspection reveals a potential problem, TWI may retain a qualified inspection firm to conduct an environmental audit. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. When appropriate, a title binder shall be obtained by TWI prior to the acceptance of the real property gift. The cost of the title binder will be borne by the donor.

Criteria applied to gifts of real estate include:

- Is the property useful for the purposes of TWI?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the audit reflect that the property is free of environmental damage?

5. **Life Insurance:** TWI is grateful to be named as a beneficiary of a life insurance policy. If you would like to gift a life insurance policy, TWI must be named as both beneficiary and irrevocable owner of the policy. Once the policy is accepted, life insurance holdings will be reviewed annually to determine whether it is best to continue to pay the premiums, convert the policy to paid up insurance, surrender the policy for its current cash value, or change the underlying investment structure.

6. **Charitable Gift Annuities:** TWI does not have a Charitable Gift Annuity program at this time but would be grateful to be named as a beneficiary.

7. **Charitable Remainder Trusts:** TWI encourages its donors to name the organization as a remainder beneficiary of a charitable remainder trust and will work with its donors and their advisors to structure such agreements. However, TWI will not serve as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.

8. **Charitable Lead Trusts:** TWI may accept a designation as income beneficiary of a charitable lead trust and will work with its donors and their advisors to structure such agreements. TWI will not accept an appointment as Trustee of a charitable lead trust and will instead encourage the donor to use a professional fiduciary.

9. **Bequests:** Donors and supporters of TWI will be encouraged to make bequests to TWI under their wills and trusts. TWI can be named as the sole beneficiary or one of many beneficiaries. TWI can also be named as a remainder beneficiary. Such bequests will not be recorded as gifts to TWI until such time as the gift is irrevocable.

10. **Retirement Plan:** Donors and supporters of TWI will be encouraged to name TWI as beneficiary of their retirement plans. Such designations will not be recorded as gifts to TWI until such time as the gift is irrevocable.

11. **Endowed Funds:** The purpose of Endowed Funds is to provide an income stream from the earned income on and realized capital gains to the Fund to TWI for operational expenses in serving its charitable purposes and advancing its mission. The Fund is to be held as a quasi-endowment fund. The Board of Trustees will appropriate each year, from the interest earnings on and principal accretions in the Fund, pursuant to the current Spending Policy adopted by the Board, such monies as the Board determines is prudent from the Fund and transfer the same to the operational account of TWI to be used in furtherance of its charitable mission.

The donor may request that their gift be placed in a permanently restricted fund, or true endowment, whose principal must be maintained in perpetuity, generating income of a donor-specified purpose. Only the income earned from the assets, or the amount generated by the current spending policy, can be spent by the Institute.

An endowed fund may be set up for a specific period of time or until a certain event has occurred. This is called a temporarily restricted or term endowment. When the term ends or the action is complete, the remaining corpus can be spent according to the wishes of the donor.

12. **Responsibility to Donors:** The Wetlands Institute will not knowingly accept a gift that is contrary to the donor's best interest. Information related to and/or agreements with a donor will be considered confidential. TWI will honor the request of donors who wish to remain anonymous.

The Wetlands Institute will abide by the Association of Fundraising Professionals *Code of Ethical Principles and Standards of Professional Practice*, as amended from time-to-time.

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We strongly encourage donors to consult with their own professional advisor when considering making a planned gift.

To include The Wetlands Institute in a will, trust or other estate planning document, please feel free to use the following sample language:

*"I give, devise, and bequeath to The Wetlands Institute, \_\_\_\_ % or the sum of \$\_\_\_\_ or a description of the specific asset), for the benefit of The Wetlands Institute and its general purposes." OR "All the rest, residue, and remainder of my estate, both real and personal, I give to The Wetlands Institute, for its general purposes."*