Gift Acceptance Policy
Woods Hole Research Center

Woods Hole Research Center (WHRC) solicits and accepts gifts that will help the organization further and fulfill its mission, and support its programs and operations.

The mission of the Woods Hole Research Center is to advance scientific discovery and seek science-based solutions for the world’s environmental and economic challenges through research and education.

The Board of Directors of WHRC has approved the following policies and guidelines that govern acceptance of gifts made to WHRC for the benefit of any of its operations, programs or services, and provide guidance to donors and their advisors when making gifts to WHRC. All prospective donors are urged by WHRC to seek the assistance of legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

Gift Acceptance Committee
The Gift Acceptance committee (GAC), as referred to in this Gift Acceptance Policy, will consist at a minimum of the President of WHRC, the Chairs of the Board’s Development Committee and Strategic Initiatives Committee, and the Vice President for Strategy and Advancement. The Chief Financial Officer will serve the GAC in an ex officio capacity. Members of the GAC may consult a Board member, staff member, or outside expert as deemed advisable in a specific situation.

Use of Legal Counsel
Woods Hole Research Center shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. Review by legal counsel is recommended for:

1. Closely held stock transfers that are subject to restrictions on the security(ies) or buy-sell agreements
2. Documents naming WHRC as trustee or requiring WHRC to act in any fiduciary capacity
3. Gifts involving contracts such as bargain sales, or other documents requiring WHRC to assume financial or other obligations
4. Transactions with potential conflicts of interest
5. Gifts of property that may be subject to environmental or other regulatory restrictions
6. Other instances in which use of counsel is deemed appropriate by the GAC.

General Policy
Woods Hole Research Center will not accept gifts that:

1. Violate the terms of WHRC’s organizational documents
2. Jeopardize WHRC’s status as an exempt organization under federal or state law
3. Are too difficult or expensive to administer
4. Are for purposes that do not further WHRC’s objectives
5. Could damage the reputation of WHRC
Policy Regarding Specific Types of Gifts

A. Gifts Generally Accepted Without Review

1. Cash. Unrestricted gifts of cash are accepted in any form.

2. Marketable Securities. Unrestricted marketable securities may be transferred to an account maintained by WHRC at Gage-Wiley Inc. or delivered physically with the transferor’s signature or stock power attached. All marketable securities will normally be sold promptly upon receipt unless otherwise directed by the Gift Acceptance Committee (GAC).

3. Bequests and Beneficiary Designations under Revocable Trusts and Retirement Plans. Donors are encouraged to make bequests to WHRC under their wills, and to name WHRC as a beneficiary under trusts and retirement plans. WHRC may accept the designation of beneficiary but such bequests and beneficiary designations shall not be recorded as gifts until the gift is irrevocable. When the gift is irrevocable, it shall be recorded in accordance with GAAP. Unless specifically noted in the bequest, the internal allocation of a bequest will be determined by the GAC.

4. Charitable Remainder Trusts. WHRC will accept designation as remainder beneficiary of a charitable remainder trust. WHRC will not accept appointment as trustee of a charitable remainder trust. Donors who create externally managed and trusteed trusts will be asked to provide WHRC with a copy of the trust document and annual investment reports for record-keeping purposes.

5. Charitable Lead Trusts. WHRC will accept designation as income beneficiary of a charitable lead trust. WHRC will not accept appointment as trustee of a charitable lead trust. Donors who create externally managed and trusteed trusts will be asked to provide WHRC with a copy of the trust document and annual investment reports for record-keeping purposes.

B. Gifts Subject to Review Prior to Acceptance

Certain types of gifts or donated properties must be reviewed by the Gift Acceptance Committee prior to acceptance. All final decisions on the acceptance or refusal of a gift shall be made by this committee. Gifts subject to prior review include, but are not limited to:

1. Tangible Personal Property. The GAC shall review and decide whether to accept gifts of tangible personal property based on the following considerations:
   i. Whether the property furthers the mission of WHRC
   ii. Marketability of the property
   iii. Restrictions on the use, display, or sale of the property
   iv. Carrying costs and possible liability for the property

2. Closely-Held Securities. Closely-held securities, including debt and equity positions in non-publicly traded companies, interests in LLPs and LLCs, or other ownership forms shall be reviewed and a decision made based on the following factors:
   i. Restrictions on the security that would prevent WHRC from ultimately converting the securities to cash
   ii. Marketability of the securities
   iii. Any undesirable consequences for WHRC from accepting the securities
3. Life Insurance. WHRC will accept designations as beneficiary and owner of a life insurance policy. The life insurance policy will be recorded as a gift once WHRC is named both beneficiary and irrevocable owner of the policy. The donor must agree to pay, before due, any future premium payments owing on the policy. The gift shall be valued in accordance with GAAP.

4. Charitable Gift Annuities. WHRC may offer charitable gift annuities. The minimum gift for funding is $25,000. The minimum age for life income beneficiaries of a gift annuity shall be 60. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries will be 60. No more than two life income beneficiaries will be permitted for any gift annuity. The GAC may make exceptions to these minimums. WHRC follows the American Council on Gift Annuities suggested rates.

   - **Payment Schedule.** Annuity payments may be made on a quarterly, semi-annual, or annual schedule. The Gift Acceptance Committee may approve exceptions to this schedule.

   - **Illiquid Assets.** WHRC will not accept real estate, tangible personal property, or any other illiquid asset in exchange for current charitable gift annuities. WHRC may accept real estate, tangible personal property, or other illiquid assets in exchange for deferred gift annuities if there is at least a five (5) year period before the commencement of the annuity payment date, the value of the property is reasonably certain, and the GAC approves the arrangement.

5. Real Estate. All gifts of real estate are subject to review by the GAC. Prior to the acceptance of any gift of real estate, WHRC shall require an initial environmental review, inspection, and/or title search by a qualified professional as determined by the committee. In the event the initial review reveals a potential problem, WHRC may discuss or negotiate the costs of amelioration and repairs with the donor. Criteria for acceptance of gifts of real estate include:

   i. Whether the property is useful for the purposes of WHRC
   ii. Marketability of the property
   iii. Any encumbrances, leases, restrictions, easements, or other limitations associated with the property
   iv. Any carrying costs associated with the property such as insurance, property taxes, mortgages, notes, or other costs
   v. Any concerns that the environmental audit, inspection, or title search revealed

6. Remainder Interests in Property. WHRC will accept a remainder interest in a personal residence, farm, or vacation property. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the life tenant(s), WHRC may use the property or reduce it to cash. Expenses for maintenance, real estate taxes, and any property indebtedness shall be paid by the donor or primary beneficiary. The remainder interest will not be recorded as a gift until the gift is irrevocable and then will be recorded in accordance with GAAP.

**Additional Provisions**

A. Securing appraisals and legal fees. It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to WHRC.
B. Valuation of gifts. WHRC will record a gift received at its valuation for gift purposes on the date of gift except that, when a gift is irrevocable, but is not due until a future date, the gift may be recorded at the time the gift becomes irrevocable in accordance with GAAP.

C. Responsibility for IRS filings upon sale of gifts. The Gift Acceptance Committee is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two [three] years of receipt by WHRC when the charitable deduction value of the item is more than $5,000. WHRC must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to this policy.

D. Written Acknowledgment. WHRC will provide written acknowledgment of all gifts made to WHRC and comply with the current IRS requirements in acknowledgment of the gifts.

E. WHRC endorses the Donor Bill of Rights created by the Association of Fundraising Professionals, the Association for Healthcare Philanthropy, the Council for Support and Advancement of Education, and the Giving Institute: Leading Consultants to NonProfits.

Changes to Gift Acceptance Policy
This policy has been reviewed and accepted by the Gift Acceptance Committee of WHRC. The GAC must approve any deviations from this policy. The GAC shall periodically review the policy to ensure that it continues to accurately describe the policies of WHRC with respect to acceptance of charitable gifts, and shall propose to the full Board of Directors ratification of any revisions that the GAC determines to be necessary or appropriate.

Approved on the 4th day of October, 2019
by
Woods Hole Research Center Board of Directors
William R. Moomaw, Chair