



110 E. Patrick Street • Frederick, MD 21701
(301) 600-2066 • www.frederickliteracy.org

Gift Acceptance Policy

1. The Literacy Council of Frederick County, Inc. (LCFC) solicits and accepts gifts that are consistent with its mission.
2. Donations will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitations.
3. In the course of its regular fundraising activities, LCFC will accept donations of money, real property, personal property, stock, and in-kind services. Gifts generally accepted without prior review include:
 - a) Cash in any form including check, money order, or credit card on-line.
 - b) Unrestricted Marketable Securities
 - c) Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities, and Retirement Plans.
 - d) Charitable Remainder Trusts – LCFC will accept designation as a remainder beneficiary of charitable remainder trusts.
 - e) Charitable Lead Trusts – LCFC will accept designation as an income beneficiary of charitable lead trusts.
4. Certain types of gifts must be reviewed prior to acceptance due to the special liabilities they may pose for LCFC. Examples of types of gifts subject to prior review include:
 - a) Tangible Personal Property – the Board of Directors shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:
 - 1) Does the property further the organization’s mission?
 - 2) Is the property marketable?
 - 3) Are there any unacceptable restrictions imposed on the property?
 - 4) Are there any carrying costs for the property for which the organization may be responsible?
 - 5) Is the title/provenance of the property clear?
 - b) Life Insurance – LCFC will accept gifts of life insurance where LCFC is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due any future premium payments owing on the policy.

- c) Real Estate – All gifts of real estate are subject to review by the Board of Directors. Prior to acceptance of any gift of real estate other than a personal residence, LCFC shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include:
 - 1) Is the property useful for the organization’s purposes?
 - 2) Is the property readily marketable?
 - 3) Are there covenants, conditions, restrictions, reservations, easements, encumbrances, or other limitations associated with the property?
 - 4) Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
 - 5) Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?
- 5. LCFC will not accept gifts that:
 - a) Would result in LCFC violating its corporate charter
 - b) Would result in LCFC losing its status as a 501(c)(3) nonprofit organization
 - c) Are too difficult or too expensive to administer in relation to their value
 - d) Would result in any unacceptable consequences for LCFC
 - e) Are for purposes outside LCFC’s mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

Initial Gift Acceptance Policy adopted November 14, 2011
by the Board of Directors of the Literacy Council of Frederick County, Inc.

Caroline Gaver, President