



Gift Acceptance Policy

TABLE OF CONTENTS

I. INTRODUCTION	3
A. MISSION	3
B. VISION	3
C. PURPOSE OF POLICY	3
D. GIFT ACCEPTANCE COMMITTEE (GAC)	3
E. ETHICAL STANDARDS	3
II. TYPES OF ACCEPTABLE GIFTS GENERALLY NOT REQUIRING GAC APPROVAL	4
A. CASH	4
B. WIRE TRANSFER	4
C. SECURITIES	4
D. MUTUAL FUND SHARES	4
E. GIFTS IN-KIND	4
F. LIFE INSURANCE	5
G. ACCEPTABLE PLANNED GIVING VEHICLES	5
H. RESTRICTED GIFTS	6
III. TYPES OF ACCEPTABLE GIFTS REQUIRING GAC OR BOARD APPROVAL	6
A. CLOSELY HELD SECURITIES	6
B. REAL ESTATE	6
C. BARGAIN SALES	6
IV. ARTWORK	7
A. ACQUISITIONS	7
B. LOANED ART	8
C. DEACCESSIONING	8
V. GIFT ADMINISTRATION	8
A. CONFIDENTIALITY	8
B. RECEIPTS	8
C. RECORD KEEPING	8
D. RECOGNITION	8
E. VALUATION STANDARDS AND POLICIES	8
ATTACHMENT I: MODEL STANDARDS OF PRACTICE OF THE CHARITABLE GIFT PLANNER	9
ATTACHMENT II: DONOR BILL OF RIGHTS	11
ATTACHMENT III: SAMPLE LANGUAGE FOR CHARITABLE BEQUESTS	12

I. INTRODUCTION

Bigelow Laboratory for Ocean Sciences, hereinafter referred to as “Bigelow” or “the Laboratory”, a nonprofit organization organized under the laws of the State of Maine, encourages the solicitation and acceptance of gifts for purposes that will help to further and fulfill its mission. The following policies and procedures govern solicitation, acceptance, and administration of gifts.

A. Mission

The mission of Bigelow Laboratory for Ocean Sciences is to investigate the microbial drivers of ocean processes through basic and applied research, education, and enterprise.

B. Vision

The vision of Bigelow Laboratory for Ocean Sciences is to be a leading global ocean research and education institution, generating beneficial outcomes for society through increased knowledge of marine ecosystems.

C. Purpose of Policy

These policies and procedures govern the solicitation, acceptance, and administration of gifts by Bigelow and provide guidance to prospective donors and their advisors when making gifts. The provisions of these policies shall apply to all gifts received by Bigelow for any of its programs or services.

D. Gift Acceptance Committee

The Board of Trustees of Bigelow has created a Gift Acceptance Committee to ensure appropriate compliance with this policy by all staff, consultants, and volunteers. The committee shall consist of: 1) the Chair of the Board; 2) the Chair of the Development Committee; 3) the Chair of the Finance Committee; 4) the Treasurer; and 5) the Executive Director. The Chief Advancement Officer and the Director of Finance shall be non-voting Ex-officio members of the committee. The Gift Acceptance Committee is charged with the responsibility of annually reviewing gift acceptance policies and guidelines, reviewing unusual gifts in question, and making recommendations to the Board of Trustees on gift acceptance issues.

E. Ethical Standards

- **NCPG and AFP Guidelines**

Every employee or person interacting with donors in the gift solicitation and administration process on behalf of Bigelow shall adhere to the “Model Standards of Practice of the Charitable Gift Planner” set forth by the National Committee on Planned Giving provided in Attachment I and the “Donor Bill of Rights” set forth in Attachment II, developed by the American Association of Fundraising Counsel and Association of Fundraising Professionals.

- **Independent Counsel**

When appropriate, donors and prospective donors should be advised to secure the advice of independent counsel with regard to the legal, investment, estate, and tax consequences resulting from gifts to Bigelow.

It is the policy of Bigelow that the donor’s attorney may not also represent Bigelow on a specific gift. Additionally, donor advisors and prospective donors who serve on a governing or advisory board for Bigelow must disclose any conflicts of interest and refrain from voting on gifts in which they serve as counsel to the donor.

II. TYPES OF ACCEPTABLE GIFTS GENERALLY NOT REQUIRING GAC APPROVAL

When considering whether to solicit or accept gifts, the Advancement Office and the Gift Acceptance Committee will consider the following factors:

- Does the gift compromise the mission and vision of Bigelow?
- Is there compatibility between the intent of the donor and Bigelow's use of the gift?
- Will acceptance of the gift damage the reputation of Bigelow?
- Is the gift offered in a form that Bigelow can use without incurring substantial expense or difficulty?
- Will the gift encourage or discourage future gifts?

The Advancement Office may solicit and accept the type of gifts listed below in this Article II, unless they present an issue with respect to any of the foregoing factors.

A. Cash

Bigelow accepts currency, checks, money orders, bank drafts, and gifts via credit/debit cards. Checks or money orders should be made payable to Bigelow Laboratory for Ocean Sciences, and mailed to:

Bigelow Laboratory for Ocean Sciences
P.O. Box 380
60 Bigelow Drive
East Boothbay, ME 04544-0380 USA

B. Wire Transfer

Funds may be wire transferred to Bigelow from donors' bank accounts. Donors should consult a representative of their financial institution to make contributions via wire transfer. Donors should also notify Bigelow when such transfers are initiated to ensure appropriate and timely gift acknowledgment and proper gift credit. Donors wishing to make a domestic or foreign wire transfers should contact the Advancement Office to request instructions at (207) 315-2567 x 112.

C. Securities

Securities that are actively traded on recognized stock exchanges and other readily marketable securities, including bonds and mutual funds, may be accepted as gifts by Bigelow, according to the policies described below. Securities given to Bigelow will typically be sold as soon as possible. Securities may be wired directly to Bigelow's brokerage account via DTC. Donors wishing to transfer securities should contact the Advancement Office to request instructions at (207) 315-2567 x 112.

D. Mutual Fund Shares

To initiate a gift of mutual fund shares, Bigelow must be notified of the mutual fund shares being gifted, the name of the institution at which the shares are held (brokerage firm, financial institution or the mutual fund company itself), the number of shares, the intended gift date, and the intended use of the gift. If the shares are held at the mutual fund company, the donor and Bigelow must follow the necessary steps required by that company for transfer of ownership of the shares. If the shares are held at a brokerage firm or financial institution, Bigelow will contact the institution and establish an account there if none is currently open. When the account is open, that institution will transfer the shares into the Bigelow account. In all cases the shares will be sold as soon as possible after successful transfer into the Bigelow account.

E. Gifts In-Kind (Personal Property or Services)

Tangible personal property or services that will be directly used in Bigelow operations, may be accepted upon approval by the Executive Director and the Chief Advancement Officer, provided that the property or service is useful, safe, and appropriate. In addition to accepting tangible personal property that will be directly used in Bigelow operations, Bigelow may accept tangible personal property that will be converted into cash. Tangible

personal property requires Gift Acceptance Committee approval if the gift requires ongoing costs to maintain; entails restrictions on its use, display, or sale; or is not readily marketable.

In the case of boats offered to the Laboratory, the Executive Director will first determine whether the boat could be used for programmatic operations. If not, all donations of boats to Bigelow are accepted through Block Island Maritime Funding, Inc. (hereafter, "Block Island") with an address of P.O. Box 95, 42 Thames St., Newport, RI 02840. Pursuant to the Boat Donation Program, all donations of boats that will not be used for operations are made to Block Island and not Bigelow. When taking title to a boat that will be used in a Bigelow program, Bigelow will provide written notice to Block Island. When a boat donated in conjunction with the Boat Donation Program, or its parts or equipment, is sold by Block Island, Block Island shall, within ten (10) days of the completion of any such sale, remit in cash, certified/bank check, or by wire transfer, 75% of the total sale price to Bigelow, minus Block Island's reasonable expenses such as, but not limited to, vessel, eBay listing fee, transport if necessary, storage and/or insurance costs incurred, and insurance finder's fee/broker's commission when applicable. **For more information, see full agreement between Bigelow and Block Island.*

F. Life Insurance

Bigelow must be named as both beneficiary and irrevocable owner of an insurance policy before it can be recorded as an outright gift. The gift value for income tax purposes is the lesser of the policy's value or the donor's basis. If the policy is paid in full, its value is generally equal to its replacement value (cost of identical policy given the donor's age and health). If the policy is not paid up, the policy's value will be based on the interpolated terminal reserve value (ITRV) plus any unearned premium. The insurance company provides the ITRV. The Laboratory will review any unpaid life insurance policies on a case by case basis before agreeing to accept them. Bigelow's intention, should the unpaid policy be accepted, will be to cash it in immediately. Beneficiary designations do not require Gift Acceptance Committee approval.

G. Acceptable Planned Giving Vehicles

Bigelow Laboratory welcomes unrestricted planned gifts to serve the organization's future funding needs. Donors are encouraged to consult a professional advisor when making their estate plans, and to speak with Bigelow's Chief Advancement Officer before gift paperwork is drafted. This will ensure that Bigelow will be able to accept the gift in a manner that honors the donor's intentions. Proceeds from the following types of unrestricted planned gifts may be transferred into Bigelow's general endowment fund, unless otherwise designated by the donor. The Gift Acceptance Committee reserves the right to dedicate a portion of the proceeds to Bigelow's overall current operations at the time the planned gift is realized.

1. Bequests and Charitable Trusts

Bigelow may or may not be informed of its status as a beneficiary with regard to bequests or charitable trusts. If informed, Bigelow will provide guidance and appropriate language to the donor and/or donor's counsel to assist in ensuring that the donor's intentions are fulfilled. **See Attachment III for sample bequest language.*

2. Life Insurance Beneficiary Designation

Donors may name Bigelow as the beneficiary or contingent beneficiary of life insurance policies.

3. Retirement Plan and Investment Account Beneficiary Designation

Donors may name Bigelow as the beneficiary or contingent beneficiary of a retirement account such as an IRA or 401(k), investment, CD, or bank account, or pension plan.

4. Charitable Gift Annuities

Bigelow is not licensed as a grants and annuities society but may refer donors interested in charitable gift annuities as a planned giving option to an outside specialist such as Maine Community Foundation or Bar Harbor Trust Services. Contracts are between the donor and the outside specialist and Bigelow assumes

no responsibility for fulfillment of contract terms. Participation requirements are subject to policies of the outside specialist.

H. Restricted Gifts

Unrestricted gifts are encouraged. Acceptance of a restricted gift imposes a legal obligation to comply with the terms established by the donor. Therefore, it is necessary that the nature and extent of this obligation be clearly understood. If a gift is deemed unacceptable because of the restrictions the donor has placed in its use, the donor will be encouraged to remove or modify the restrictions. Gifts will be refused or returned when the purpose either: (1) is inappropriate or not conducive to the best interest of Bigelow, (2) is clearly a commercial endeavor, or (3) would obligate Bigelow to undertake responsibilities, financial or otherwise, which it may not be capable of meeting for the period required by the terms of the gift. The Advancement Office may only solicit or accept restricted gifts if the gift is temporarily restricted to pay for a program or expense that is included in an approved budget.

III. GIFTS REQUIRING GIFT ACCEPTANCE COMMITTEE OR BOARD APPROVAL

A. Closely Held Securities

Securities that are not publicly traded, including interests in limited partnerships and limited liability companies, must be reviewed prior to acceptance to determine that the security is marketable and the security will not generate any undesirable tax consequences for Bigelow.

B. Real Estate

All gifts of real estate, or interests in real estate such as oil, gas, mineral interests, and conservation easements, require Board of Trustees approval which shall be made following evaluation of the usefulness of the property for the Laboratory's purposes, marketability, physical condition, zoning restrictions, appraised value, appreciation potential, management responsibilities, related expenses, environmental issues, and risk. Except in extraordinary circumstances, the Board should not normally consider accepting a gift of real estate with an appraised value of less than \$50,000 unless the property could be immediately converted into cash. Donors contemplating a current gift of real estate must provide the following:

1. Qualified Appraisal;
2. Environmental Audit as part of the "due diligence" to protect against liability exposure under Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). This requirement may be waived for residential properties used exclusively for residential purposes for a period of 30 years with no known indication of environmental contamination; and
3. Disclosure of all restrictions, reservations, easements, encumbrances and carrying costs, including but not limited to, taxes, insurance, maintenance, association dues, membership fees, and other expenses.

A gift of real estate subject to a retained life estate involves the transfer of the title to real property to Bigelow whereby the donor or another person retains use of the property for a term of years of the life/lives of the donor and/or another person. For all gifts of residential property subject to a retained life estate, the Board will consider, in addition to the factors listed in the preceding section, the donor's life expectancy, age and condition of the property, appreciation potential, and area property information.

B. Bargain Sales

A bargain sale is the sale of a property to Bigelow for an amount less than the property's current fair market value as determined by a recent, qualified appraisal. The excess value over the sales price generally represents a contribution to Bigelow. Bigelow will consider use of the property, marketability, debt, holding period costs, and other facts having effect on acceptance. Donors will be required to obtain a qualified appraisal prior to consideration for acceptance. Generally, Bigelow will obtain an independent appraisal substantiating the value of the property and will not enter into bargain sales in which any debt attached to the property exceeds 50% of the appraised market value.

IV. ARTWORK

The Board of Trustees has established an Art Committee that shall consist of the Executive Director and two or more members of the Board of Trustees or the Advisory Board. Works of art may only be accepted with the approval of the Art Committee. The following policies are set forth as a guideline for the Committee to assist in making recommendations on the acquisition of art:

A. Acquisitions

All gifts presented to Bigelow Laboratory must be approved by the Art Committee and the Executive Director prior to acceptance.

CRITERIA: Bigelow Laboratory will solicit and/or accept donations of art, commission art, or obtain art by other means in accordance with the following criteria:

1. The art supports the mission of the Bigelow Laboratory for Ocean Sciences.
2. The art is in good condition and the potential cost of conservation is not excessive.
3. The art is something that the Laboratory intends to retain.
4. Bigelow Laboratory shall obtain clear title to the work of art.
5. Bigelow Laboratory will not accept art by gift with encumbered restrictions on the use, display, or disposal of said art.
6. Accepting the gift does not imply that the Laboratory will display the gift at all times.
7. Cost of maintenance, fire and safety codes, medium, and mounting method will be considered as criteria for acceptance.
8. The responsibility for the maintenance of the collection shall reside within the office of the Executive Director.
9. Artwork should ideally be nature-based, representational work that may have a positive emotional impact on those viewing it.
10. Bigelow Laboratory will not accept art that is perceived to be hostile, obviously depressing, has negative connotations, or is religious or political in nature.
11. Bigelow Laboratory will not accept art if it is perceived to pose a hazard or is an attractive nuisance.

APPRAISALS OF DONATIONS: Donors shall be responsible for obtaining appraisals for their tax purposes. The Laboratory cannot confirm appraisals for tax purposes in accepting gifts of art.

PURCHASES/COMMISSIONS: The Art Committee must obtain the approval of the Executive Director for the purchase or commission of art.

PROCEDURES:

1. Prospective donors of art will be given a copy of the Collections Policy document in advance of making a donation.
2. Bigelow assumes no responsibility for the damage, loss, destruction, or theft of artwork deposited for evaluation by the Art Committee. Whether or not the Laboratory chooses to acquire the art deposited, the owner will be informed within sixty days after the deposit date. It is the responsibility of the owner to retrieve the artwork if it is not accepted for the collection.
3. When an artwork has been approved for the collection, all pertinent information, including documentation, provenance, letters, complete particulars on the donor, object history and the source will be maintained in the office of the Executive Director.
4. An estimate of the fair market value of the art donation will be made and recorded on the donations transmittal sheet by the Advancement Office and forwarded to the Business Office for recording.
5. Whenever artwork is added, removed or loaned to Bigelow, the Executive Director will take steps to secure appropriate insurance coverage.

B. Loans to Bigelow Laboratory

Artwork may be loaned to Bigelow Laboratory under mutually agreeable terms. The artwork shall be subject to review and acceptance by the Art Committee.

C. Deaccessioning

TIMEFRAME: No donated object of art shall be deaccessioned for any reason until three years after its date of acquisition (IRS regulations).

PROCEEDS: All proceeds from the sale of deaccessioned art will be used to benefit the Laboratory.

GUIDELINES: Guidelines shall be followed when an artwork has been deaccessioned, usually in the order listed below:

1. It may be offered for sale through a reputable dealer or public art auction.
2. It may be offered to an art museum.
3. It may be offered to the artist or his/her estate.
4. It may be placed with a non-profit organization, school or public institution by donation.

V. GIFT ADMINISTRATION

A. Confidentiality

Bigelow shall respect the wishes of donors who choose to support Bigelow anonymously and will take reasonable steps to safeguard those donors' identity, where anonymity would not violate any legal requirements for disclosure. All parties involved in soliciting, accepting and managing anonymous gifts, including but not limited to the Board of Trustees, staff, and volunteers, will abide by the terms of the donation and make all reasonable efforts not to disclose any information about the donor or the donation that is not required by law.

B. Receipts

Gift receipts will be issued for all gifts within three days of the date received. Receipts will state the name of the donor, date received, restrictions if applicable, and a description of the gifted property. If the donor received something of value in exchange for the gift (quid pro quo), the receipt will state the value of the item received; otherwise, the receipt shall state: "No goods or services were received in exchange for this gift." Gifts of tangible personal property shall not include a valuation of the asset, which is the responsibility of the donor.

C. Record Keeping

Gift records reflecting the name of the donor and details of the gift will be maintained in an electronic database and a hard copy of all gift receipts filed for reference. The Advancement Officer is responsible for maintaining gift records, with oversight by the Advancement Manager.

D. Recognition

It is Bigelow's intent to communicate appreciation of gifts whenever it is acceptable to the donor and appropriate. All donors may be listed in Bigelow publications, unless the donor has requested anonymity.

E. Valuation Standards and Policies

Bigelow follows IRS guidelines regarding valuation, disclosure, and reporting of donor gifts. For full guidelines, please see IRS Publication 561: *Determining the Value of Donated Property* (<http://www.irs.gov/pub/irs-pdf/p561.pdf>).

ATTACHMENT I
Model Standards of Practice of the Charitable Gift Planner

Preamble

The purpose of this statement is to encourage responsible charitable gift planning by urging the adoption of the following Standards of Practice by all who work in the charitable gift planning process, including charitable institutions and their gift planning officers, independent fundraising consultants, attorneys, accountants, financial planners and life insurance agents, collectively referred to hereafter as “Gift Planners.”

This statement recognizes that the solicitation, planning, and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. Primacy of Philanthropic Motivation

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. Explanation of Tax Implications

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

III. Full Disclosure

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, are fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of Bigelow, and shall not, while employed by Bigelow, act or purport to act as a representative of the donor, without the express consent of both Bigelow and the donor.

IV. Compensation

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payments of finder’s fees, commissions, or other fees by a donee organization or an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. Competence and Professionalism

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

VI. Consultation with Independent Advisers

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor's choice.

VII. Consultation with Charities

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to ensure that the gift will accomplish the donor's objectives, should encourage the donor early in the gift planning process to discuss the proposed gift with Bigelow to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor; to obtain Bigelow's input in the gift planning process.

VIII. Explanation of the Gift

The Gift Planner shall make every effort, insofar as possible, to ensure that the donor receives a full and accurate explanation of all aspects of the proposed charitable gift.

IX. Full Compliance

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. Public Trust

Gift Planners shall, in all dealings with donors, institutions, and other professionals, act with fairness, honesty, integrity, and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

Developed by the National Committee on Planned Giving

ATTACHMENT II
Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured that their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

Developed by the Association of Financial Professionals (AFP), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and The Giving Institute: Leading Consultants to Non-Profits.

**ATTACHMENT III
SAMPLE LANGUAGE FOR CHARITABLE BEQUESTS**

GIFT OF A PERCENTAGE OF THE ESTATE

“I give, devise, and bequeath to Bigelow Laboratory for Ocean Sciences, a public benefit corporation, with offices currently at 60 Bigelow Drive, P.O. Box 380, East Boothbay, Maine 04544, tax ID # 01-6006001, _____% of the residue of my estate for its unrestricted use in carrying out its benevolent purposes.

GIFT OF A SPECIFIC DOLLAR AMOUNT

“I give, devise, and bequeath to Bigelow Laboratory for Ocean Sciences, a public benefit corporation, with offices currently at 60 Bigelow Drive, P.O. Box 380, East Boothbay, Maine 04544, tax ID # 01-6006001, the cash sum of \$_____ for its unrestricted use in carrying out its benevolent purposes.

GIFT OF SPECIFIC PROPERTY

“I give and devise to Bigelow Laboratory for Ocean Sciences, a public benefit corporation, with offices currently at 60 Bigelow Drive, P.O. Box 380, East Boothbay, Maine 04544, tax ID # 01-6006001, the following real property (here describe the premises with exactness and particularity) with power to lease, mortgage, or sell the same at its discretion, for its unrestricted use in carrying out its benevolent purposes.

GIFT OF THE RESIDUE OF AN ESTATE

“I give the residue of my estate, including all failed and lapsed gifts, to Bigelow Laboratory for Ocean Sciences, a public benefit corporation, with offices currently at 60 Bigelow Drive, P.O. Box 380, East Boothbay, Maine 04544, tax ID # 01-6006001, for its unrestricted use in carrying out its benevolent purposes.

For further information or assistance, contact:

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