

Casa di Mir Gift Acceptance Policy-Gift Types

Casa di Mir will accept the following types of gifts:

- Cash.
- Tangible Personal Property.
- Securities.
- Real Estate.
- Remainder Interests in Property.
- Oil, Gas, and Mineral Interests.
- Bargain Sales.
- Life Insurance.
- Charitable Gift Annuities.
- Charitable Remainder Trusts.
- Charitable Lead Trusts.
- Retirement Plan Beneficiary Designations.
- Bequests.
- Life Insurance Beneficiary Designations.

The following criteria govern the acceptance of each gift form:

1) **Cash.** Cash is acceptable in any form. Checks shall be made payable to Casa di Mir Montessori School in the administrative offices.

2) **Tangible Personal Property.** All other gifts of tangible personal property shall be examined in light of the following criteria:

- Does the property fulfill the mission of Casa di Mir?
- Is the property marketable?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?
- The gift acceptance committee of the Casa di Mir Montessori School shall make the final determination on the acceptance of other tangible property gifts.

3) **Securities.** Casa di Mir can accept both publicly traded securities and closely held securities. Publicly Traded Securities. Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the investment committee. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the gift acceptance committee of the Casa di Mir Montessori School.

Closely Held Securities. Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of the gift acceptance committee of Casa di Mir. However, gifts must be reviewed prior to acceptance to determine:

- there are no restrictions on the security that would prevent Casa di Mir Montessori School from ultimately
- converting those assets to cash;
- the security is marketable; and
- the security will not generate any undesirable tax consequences for Casa di Mir .
- If potential problems arise on initial review of the security, further review and recommendation
- by an outside professional may be sought before making a final decision on acceptance of the
- gift. The gift acceptance committee of the Casa di Mir Montessori School and legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

4) Real Estate. Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, Casa di Mir shall require an initial environmental review of the property to ensure that the property has no environmental damage. In the event that the initial inspection reveals a potential problem, Casa di Mir shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

When appropriate, a title binder shall be obtained by Casa di Mir prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

Prior to acceptance of the real property, the gift shall be approved by the gift acceptance committee of Casa di Mir and by Casa di Mir's legal counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of Casa di Mir?
- 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 environmental audit reflect that the property is not damaged?

5) Remainder Interests in Property. Casa di Mir will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of paragraph 4 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life.

At the death of the donor, Casa di Mir may use the property or reduce it to cash. Where the Charity receives a gift of a remainder interest; expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary.

6) Oil, Gas, and Mineral Interests. Casa di Mir may accept oil and gas property interests, when appropriate. Prior to acceptance of an oil and gas interest the gift shall be approved by the gift acceptance committee, and if necessary, by Casa di Mir's legal counsel. Criteria for acceptance of the property shall include:

- Gifts of surface rights should have a value of \$20,000 or greater.
- Gifts of oil, gas, and mineral interests should generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate

- A working interest is rarely accepted. A working interest may only be accepted where when there is a plan to minimize potential liability and tax consequences.
- The property should undergo an environmental review to ensure that Casa di Mir has no current or potential exposure to environmental liability.

7) **Bargain Sales.** Casa di Mir Montessori School will enter into a bargain sale arrangement in instances in which the bargain sale furthers the mission and purposes of Casa di Mir. All bargain sales must be reviewed and recommended by the gift acceptance committee and approved by the board of directors. Factors used in determining the appropriateness of the transaction include:

- The Charity must obtain an independent appraisal substantiating the value of the property.
- If Casa di Mir assumes debt with the property, the debt ratio must be less than 50% of the appraised market value.
- The charity must determine that it will use the property, or that there is a market for sale of the property, allowing sale within 12 months of receipt.
- The Charity must calculate the costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period.

8) **Life Insurance.** Casa di Mir Montessori School must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, Casa di Mir will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, Casa di Mir may:

- continue to pay the premiums;
- convert the policy to paid up insurance; or
- surrender the policy for its current cash value.

9) **Charitable Gift Annuities.** Casa di Mir Montessori School may offer charitable gift annuities. The minimum gift for funding is \$5,000. Casa di Mir Montessori School President may make exceptions to this minimum. The minimum age for life income beneficiaries of a gift annuity shall be 55. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries shall be 45. No more than two life income beneficiaries will be permitted for any gift annuity.

Annuity payments may be made on a quarterly, semi-annual, or annual schedule. Casa di Mir Montessori School Board may approve exceptions to this payment schedule.

Casa di Mir Montessori School will not accept real estate, tangible personal property, or any other illiquid asset in exchange for current charitable gift annuities. Casa di Mir Montessori School may accept real estate, tangible personal property, or other illiquid assets in exchange for deferred gift annuities so long as there is at least a 5-year period before the commencement of the annuity payment date, the value of the property is reasonably certain, and the board of Casa di Mir Montessori School approves the arrangement.

Funds contributed in exchange for a gift annuity shall be set aside and invested during the term of the annuity payments. Once those payments have terminated, the funds representing the remaining principal contributed in exchange for the gift annuity shall be transferred to Casa's general endowment funds, or to such specific fund as designated by the donor.

10) Charitable Remainder Trusts. Casa di Mir may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the gift acceptance committee. Casa di Mir will not accept appointment as trustee of a charitable remainder trust.

11) Charitable Lead Trusts. Casa di Mir may accept a designation as income beneficiary of a charitable lead trust. The board of Casa di Mir Montessori School will not accept an appointment as Trustee of a charitable lead trust.

12) Retirement Plan Beneficiary Designations. Donors and supporters of Casa di Mir Montessori School will be encouraged to name Casa di Mir as beneficiary of their retirement plans. Such designations will not be recorded as gifts to Casa di Mir until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

13) Bequests. Donors and supporters of Casa di Mir Montessori School will be encouraged to make bequests to Casa di Mir under their wills and trusts. Such bequests will not be recorded as gifts to Casa di Mir until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

14) Life Insurance Beneficiary Designations. Donors and supporters of Casa di Mir Montessori School will be encouraged to name Casa di Mir as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to Casa di Mir until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.