



# FOUNDATION<sup>of the</sup> FEDERAL BAR ASSOCIATION

**Policy Title:**            **Gift Acceptance Policy**

**Policy No:**             **1-13**

**Date Approved:**       **9-6-24**

**Date Effective:**        **10-1-24**

**Policy:**

The Foundation solicits and accepts gifts for purposes that will help the organization fulfill its mission. The Foundation urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to The Foundation for the benefit of any of its operations, programs or services.

The Foundation will not accept gifts that (a) would result in the Foundation violating its congressional charter, (b) would result in the Foundation losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for the Foundation, or (e) are for purposes outside the Foundation’s mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors, in consultation with the Executive Director. The Finance Committee shall review gifts in a timely manner and make a recommendation to the Board of Directors regarding the acceptance or rejection of gifts of all forms. The Board of Directors shall have the final authority on whether the Foundation will accept any gift, including those listed below, and may in its sole and absolute discretion determine not to accept a gift of any kind to the Foundation.

The following gifts are generally acceptable but not intended to represent an exclusive list of appropriate gifts:

- **Cash:** Cash refers to cash equivalents, including checks, money orders, currency/coin, and credit card payments. Checks or money orders shall be made payable to “Foundation of the FBA”, shall appropriately identify the donor or donors and be delivered to the Foundation’s administrative offices. Wire and Electronic Funds Transfer (EFT) can usually be arranged with the Foundation staff.
- **Bequests:** Donors and supporters of the Foundation are encouraged to make bequests to the Foundation under their wills and trusts. Such bequests will not be recorded as gifts 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. The criteria for the acceptance of the gift or bequest will be the same as otherwise provided herein.
- **Life Insurance Beneficiary Designations:** Donors and supporters of the Foundation are encouraged to name the Foundation as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to the Foundation 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.

- **Life Insurance:** The Foundation will accept gifts of life insurance where the Foundation 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.
- **Retirement Plan Beneficiary Designations:** The Foundation generally will accept gifts designating the Foundation as a beneficiary of the donor's retirement plans including, but not limited to, IRA's, 401(k)'s 403 (b)'s and other plans. Such designation will not be recorded as a gift 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.
- **Charitable Remainder Trusts:** The Foundation will accept designation as a remainder beneficiary of charitable remainder trusts. The Foundation will not accept appointment as trustee of a charitable remainder trust.
- **Charitable Lead Trusts:** The Foundation will accept designation as an income beneficiary of charitable lead trusts. The Foundation will not accept appointment as trustee of a charitable lead trust.
- **Securities:** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by the Foundation's Finance Committee. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift. In such instances, like all others, the Board of Directors shall decide whether to accept the restricted securities.