

## American Battlefield Trust Gift Acceptance Policy

### **Mission**

The American Battlefield Trust preserves America's hallowed battlegrounds and educates the public about what happened there and why it matters.

### **Purpose**

The purpose of the Gift Acceptance Policy is to provide guidance to our donors and their professional advisors about the types of gifts that the American Battlefield Trust encourages and accepts. This policy governs the acceptance and disposition of planned gifts made to the American Battlefield Trust, as well as major gifts that may have unique characteristics such as restrictions. With this policy, the American Battlefield Trust aims to accomplish mutual goals with our donors--to further our mission and to create a joint legacy of battlefield preservation.

### **Responsibility to Donors**

The American Battlefield Trust aims to provide policies that are both in the best interests of our donors as well the Trust itself. The Trust's staff will provide assistance and guidance to donors in accomplishing their philanthropic goals.

In general, the staff of the American Battlefield Trust will keep information about donors and prospective donors confidential. If donors wish to remain anonymous and they inform the American Battlefield Trust of this, we will take reasonable actions to safeguard the identity of those donors.

The American Battlefield Trust encourages donors to consult with their lawyer, accountant, and financial advisor while determining their charitable gift planning decisions. The American Battlefield Trust and its staff do not provide legal, tax or financial advice on planned or deferred gifts.

### **Policy during Capital Campaigns**

When the American Battlefield Trust is conducting a Capital Campaign, the campaign policies will work collaboratively with these Gift Acceptance Policies. If there is a conflict that arises, the Gift Acceptance Committee and/or the Board will determine the best course of action.

### **Gift Restrictions**

Donors are always encouraged to make unrestricted gifts to the American Battlefield Trust so that the Trust will have flexibility when determining the best use for a gift when it is received. Unless the donor has placed a restriction on the gift and has expressed this to the Trust, all gifts will be considered unrestricted gifts.

If the Gift Acceptance Committee determines that a restriction on a gift is such that it will provide the American Battlefield Trust with little or no financial gain, or if the restriction would go beyond or counter to our mission and purpose, we reserve the right to not accept the gift. In addition, if restrictions would lead the Trust to violate its ethical standards or result in illegal discrimination, the gift would also be rejected. The American Battlefield Trust reserves the right not to accept any gift presented to it.

Lifetime gifts: Donors may restrict their gifts to tracts of land that we are currently raising money for and are in the process of purchasing, but are encouraged to discuss any restrictions with Trust staff.

If the American Battlefield Trust staff determines that meeting certain restrictions is not feasible, they will approach the donor and discuss a way to either change or ease the restrictions of the gift in a way that is mutually acceptable.

Planned Gifts: Donors may restrict their planned gifts to land that we may acquire in the future; this may include land at a certain battlefield, a tract or battlefield where a particular regiment/brigade/division/corps/army fought, a tract or battlefield where their ancestor fought, or a land in a particular state or associated with a certain war. We strongly suggest that any donor wanting to restrict their gifts in their estates discuss these restrictions with Trust staff.

If the gift is given through an estate and its purpose is or becomes indefinite, impossible, or impractical to fulfill, the Gift Acceptance Committee may contact the executor of the estate to try to get permission to redirect the gift so that it can be used in the near term.

### **Gift Acceptance Committee**

The Gift Acceptance Committee will be made up of staff from the American Battlefield Trust including: the Chief Administrative Officer, the Chief Financial Officer, the Chief Development Officer, the Senior Vice President for Major Gifts, and the Deputy Director of Development. For gifts of real estate property, the Chief Real Estate Officer and the Deputy Director of Real Estate will be consulted.

The Committee will review all proposed gifts as outlined in the gift acceptance policy. The Committee will also review proposed gifts that have special circumstances or that are not defined in the gift acceptance policy. If the Committee determines that an exception should be made to the policy, they have the authority to decide this. The Committee may decide to consult with the Trust's President, legal counsel or the Board of Directors as appropriate.

### **Circumstances under which we will engage legal counsel**

We may consult with our legal counsel in a variety of circumstances including: to review certain gifts such as closely held stock, to review transactions governed by contracts or legal documents, to review transactions with potential conflicts of interest or if the gift does not fit the mission of the Trust, to review transactions in which the Gift Acceptance Committee or board members believe that the use of council is appropriate.

### **Types of Gifts Accepted**

#### Cash

Gifts of cash to the American Battlefield Trust are accepted and encouraged. These gifts can take the form of currency, money orders, checks, verified credit card transactions, and electronic wire transfers to our bank account. Once the gift is received, the Trust will send an acknowledgement letter to the donor.

#### Bequests

A donor can bequeath a gift of cash, property or other asset to the American Battlefield Trust in their will or trust. The American Battlefield Trust encourages bequests as they are one of the more simple and popular types of planned gifts.

The American Battlefield Trust accepts specific bequests (gifts of a specific dollar amount, or a percentage of an estate, or assets such as securities, real estate or personal property), residuary bequests (gifts that designate that the American Battlefield Trust receives the remainder of the estate after the payment of expenses and other specific amounts to other beneficiaries), and contingent bequests (gifts that determine that the American Battlefield Trust receives money only if certain future events occur).

The American Battlefield Trust reserves the right to deny a bequest for any reason, including if it is restrictive or would require the Trust to undertake work beyond its mission and scope. Donors are encouraged to discuss any restrictions with the American Battlefield Trust staff before including these restrictions in their bequest.

The American Battlefield Trust accepts bequests either written in a new will or trust, or mentioned in a codicil to an existing will.

The American Battlefield Trust will not serve as an executor of a donor's estate.

We encourage donors to tell us about their bequests in writing. Donors are encouraged to complete a Declaration of Intent and to provide us with a copy of the relevant portions of their will or trust agreement.

Sample bequest language:

#### UNRESTRICTED SPECIFIC BEQUEST

I bequeath to the American Battlefield Trust (EIN 54-1426643), a tax-exempt non-profit organization located in Washington, DC, the sum of \$\_\_\_\_\_ (or percentage \_\_\_\_\_% of my total probate/trust estate, or property described herein). This Fund is to be used by the organization as it deems advisable.

#### TARGETED SPECIFIC BEQUEST

I bequeath to the American Battlefield Trust (EIN 54-1426643), a tax exempt non-profit organization located in Washington, DC, the sum of \$\_\_\_\_\_ (or percentage \_\_\_\_\_% of my total probate/trust estate, or property described herein). This Fund is to be used by the organization for the following purpose (s): \_\_\_\_\_.

#### RESIDUAL BEQUEST

I bequeath all the rest and residue of my estate/entire trust estate (or percentage \_\_\_\_\_% of the rest and residue of my estate/trust estate) to the American Battlefield Trust (EIN 54-1426643), a tax-exempt non-profit organization listed in Washington, DC. This fund is to be used by the organization as it deems advisable.

#### Tangible Personal Property

Tangible personal property is defined in IRS publication 526 as “any property, other than land or buildings, that can be seen or touched. It includes furniture, books, jewelry, paintings, and cars.”

The Gift Acceptance Committee will consider the acceptance of tangible personal property on a case by case basis. All proposed gifts of tangible personal property will need to be accompanied by a full

description of the property. If the value of the property is worth \$5,000 or more, then the donor must provide an independent professional appraisal to the American Battlefield Trust. The Committee will consider the following aspects of the gift

- Does the gift further the Trust's mission and purposes, and if so, will it be useable immediately?
- Are there any restrictions on the use, display, or sale of the property?
- Are there any carrying costs, possible legal consequences, or other liabilities that could come with the property?

If the Committee decides to accept the gift, they must determine if the gift will either be given to a major donor as a thank you present, or whether it will be sold for cash to support the American Battlefield Trust's mission. The Trust cannot accept gifts that have restrictions of when they can be sold, or gifts that do not have a market that would allow us to sell them relatively easily. If there are carrying costs associated with the gift (such as transportation and storage costs), we may decline the gift. If the gift will be converted to cash, the gift officer will determine a plan for selling the property, including anticipated time frame, and marketing expense for the proposed sale.

The donor is responsible for obtaining a qualified appraisal of the property to determine its fair market value for tax deduction purposes. Any expenses that result from any appraisal are the responsibility of the donor.

#### Intangible personal property

According to the IRS, intangible property includes but is not limited to any commercially transferable interest in any items included in the following six categories:

- Computer software
- Patents, inventions, formulae, processes, designs, patterns, trade secrets, or know-how
- Copyrights and literary, musical, or artistic compositions
- Trademarks, trade names, or brand names
- Franchises, licenses, or contracts
- Methods, programs, systems, procedures, campaigns, surveys, studies, forecasts, estimates, customer lists, or technical data
- Other similar items

The Gift Acceptance Committee will review all potential gifts of intangible personal property on a case by case basis. The Committee will work with the donor to compile documentation needed to make a determination about the gift.

#### Marketable Securities

The American Battlefield Trust accepts all unrestricted stocks or American Depository Receipts that are traded on a recognized domestic stock exchange, and corporate and government bonds which have an established market (marketable securities). A gift of a marketable security can be wired to the American Battlefield Trust's broker at:

Mr. Richard Dickerson  
Merrill Lynch

901 E. Byrd St., Ste. 1200  
Richmond, VA 23219

Direct line: 804-780-1497  
Toll Free: 800-937-0740

Fax: 804-201-4804

**Merrill Lynch DTC #8862**  
**A/C #75802044**

It is our policy to sell all marketable securities upon receipt. The value of the gift is determined by the average of the high and low value of the stock on the day we receive it.

We ask that donors who donate marketable securities contact us with their name, address, and telephone number so that we can appropriately acknowledge the gift and send them a tax receipt. The acknowledgement letter we send them will mention the number and type of shares we have received, but we cannot provide a value of the shares.

#### Closely-held securities

Closely-held securities are corporate stocks that are not publicly traded. These also include partnership interests in general or limited partnerships, limited liability partnerships, and memberships in limited liability companies that are not traded on an established domestic securities exchange.

The Gift Acceptance Committee will consider the following factors when determining whether to accept closely-held securities as a gift:

- Are there any restrictions on the security such as restrictions on ownership of transfer, which would prevent selling the security and turning it into cash? Restrictions may include if there is a buy-back agreement at a set price, or if the security needs to be offered first to a select group at a set price before being offered on the open market.
- What is the marketability of the security and what methods of liquidation can we use?
- What is the fair market value of the security?
- Are there any other adverse consequences (such as undesirable tax consequences) that may arise as a result of this gift?

It is the donor's responsibility to provide the American Battlefield Trust with an estimate of the fair market value of the security; we will require an independent appraisal paid for by the donor prior to accepting these gifts. The Gift Acceptance Committee may decide to decline a gift of closely-held securities due to a restriction on the gift, undesirable marketability, or adverse consequences of accepting the gift. The Committee may need to consult legal counsel and tax advisors prior to accepting a gift of closely-held securities.

#### Real Estate

If a donor offers a gift of real estate to the American Battlefield Trust, staff will first determine if the property is suitable for battlefield preservation purposes in accordance with the American Battlefield Trust's mission. If the Trust determines that the property is historically significant battlefield land, the Trust's Real Estate Department will handle the preservation of the property.

For all other gifts of real estate, the Gift Acceptance Committee will review the gift and determine if the Trust should accept the gift. The Committee will require that the donor (or estate) provide documentation listed on the Real Estate Acceptance Checklist, including, but not limited to:

- Property deed
- Recent property tax bill and tax assessment
- Title insurance policy, if available
- Property survey, if available
- Appraisal, if available
- Homeowners association dues and bylaws if applicable.

The Gift Acceptance Committee will consider the gift based on several criteria, including but not limited to:

- Marketability of the property
- Whether or not the property is mortgaged or leased
- The age and condition of any improvements on the property
- The cost to carry the property, including maintenance, insurance and property taxes
- The results of an environmental site assessment

If the Committee decides to accept the property, it is our general practice to sell the property as soon as possible.

It is the donor's responsibility to obtain appraisals for tax purposes. If the donor provides Form 8283, the Trust will sign this acknowledging the gift. The Trust will also report on Form 8282 the sale of the property if it is sold within two years of the date of the gift.

The American Battlefield Trust reserves the right to refuse any offer of a gift of real estate.

#### Retirement Plan Assets

We encourage donors to name the American Battlefield Trust as the primary or secondary beneficiary of their retirement plans including 401(k), 403(b), Individual Retirement Accounts (IRAs), qualified pension, and profit-sharing plans.

To name the American Battlefield Trust as a beneficiary, donors can complete a beneficiary designation form and send it to their plan administrator. The donor may use the Trust's Washington, DC address for the form (1156 15<sup>th</sup> Street NW, Suite 900, Washington, DC, 20005) and our federal tax ID number (54-1426643).

Donors should send a copy of the beneficiary designation forms to the American Battlefield Trust to have on file.

#### Life Insurance

We encourage donors to list the American Battlefield Trust as the beneficiary of their life insurance policies. Donors should send a copy of the beneficiary designation forms to the American Battlefield Trust.

The American Battlefield Trust accepts paid-up whole life policies. Donors can name the American Battlefield Trust as a primary beneficiary or successor beneficiary of the whole life or term policy but remain the owner of the property. The American Battlefield Trust will not pay any premium payments.

### Savings Bonds

The American Battlefield Trust accepts gifts of savings bonds, and donors are encouraged to designate savings bonds as gifts to the Trust through their wills. The will should identify the American Battlefield Trust as the party having the right to receive the bonds from the estate. The Trust cannot be named as a co-owner or as a surviving beneficiary. Donors should keep in mind that if bonds are registered jointly, they will be passed to the survivor and will not be subject to the terms of the will.

Donors cannot give savings bonds directly to charity during their lifetimes, but they can redeem the bonds for cash and then make a gift to us.

### Timeshares

The American Battlefield Trust does not accept gifts of timeshares.

### Endowment gifts

Because of the nature of our work, the American Battlefield Trust does not have an endowment, and therefore does not accept endowment gifts for land. However, the Trust will consider creating a number of permanent endowments if donors decide to fund these opportunities.

The American Battlefield Trust does have a revolving fund, and we accept donations restricted to this fund. The purpose of this fund is to provide money needed for specific battlefield land purchases when time is short and we have been unable to secure all funding needed in time for the closing. We always pay back the revolving fund as soon as possible after the transaction is complete.

### Charitable Gift Annuities

Due to the nature of the mission and activities of the American Battlefield Trust, we generally do not participate in Charitable Gift Annuities. However, donors are encouraged to contact the Trust with details about their proposed annuity (specifically the donor's age and amount of annuity) and the Gift Acceptance Committee will determine whether or not to establish the annuity.

### Charitable Remainder Trusts

Donors can create a charitable remainder trust (CRT) as a way of receiving income during their lifetime by irrevocably transferring assets to a CRT so that the funds are invested, and so that the donor or beneficiaries receive a periodic distribution from the trust of either a set amount or percentage of the assets held by the CRT. When the last beneficiary of the CRT dies or the CRT otherwise terminates, the remainder of the principal of the CRT is distributed to the American Battlefield Trust.

There are two types of CRT, a charitable remainder annuity trust (donor receives a fixed income, an amount that is based on a percentage of the initial trust assets that is determined at the time the trust is created), and a charitable remainder unitrust (donor receives a percentage of the assets that is revalued each year; this fluctuates with the market).

While it is the policy of the American Battlefield Trust to accept designation as the remainder beneficiary of a CRT, we will not serve as trustee. We also will not set rates--these will be determined by the financial institution serving as the trustee.

The American Battlefield Trust reserves the right to decline gifts from CRT if the trust was created without our knowledge and if the property or the restrictions on it are not in keeping with our mission and programs. The Gift Acceptance Committee will decide whether to accept gifts of trust remainders that are of property other than cash or marketable securities, and will use this gift acceptance policy as a document to assist with this. The Committee will also determine whether to accept gifts of trust remainders that are subject to restrictions.

### Charitable Lead Trust

Donors can place assets in a charitable lead trust (CLT) so that the income from the invested principal is donated to the American Battlefield Trust for a specified number of years. When the CLT terminates, what remains in the CLT from the original donation will be given to the beneficiaries chosen by the donor. A CLT is a way for donors to transfer property to beneficiaries at a reduced cost (fewer taxes). CLT can be established either during a donor's lifetime or in their will to be implemented after their lifetime.

The American Battlefield Trust accepts designation as the income beneficiary of a CLT. In general, the American Battlefield Trust will not serve as a trustee of a CLT, exceptions will be decided by the Gift Acceptance Committee or the Board of Directors as appropriate.

### Donor Advised Funds

The American Battlefield Trust accepts gifts from donor advised funds, but does not accept gifts to create donor advised funds.

### Retained Life Estate

Donors can give the American Battlefield Trust a future interest in their property, so that the donor can continue to use the property for either the rest of their lives or for a specified period of time. When this time period is complete, the full title and use of the property is transferred to the American Battlefield Trust.

Acceptances of property subject to a life estate interest that are not on battlefield land (and therefore are not being preserved as part of our mission) are reviewed by the Gift Acceptance Committee.

For these types of gifts, if the American Battlefield Trust decides to accept the property subject to a life estate held by the donor, the donor is responsible for any and all costs associated with the property during their lifetime (including maintenance, taxes, insurance). The donor is also responsible for capital improvements such as repairs, though the American Battlefield Trust retains the right to perform maintenance and repairs if they are needed to protect our economic interest in the property. Once the American Battlefield Trust receives the title, we will generally sell the house immediately.

### **Reporting Requirements**

The American Battlefield Trust will provide a written acknowledgement of gifts to donors, and these letters will describe any property the donor donates, but will not attribute a value to the assets (a qualified appraisal of the assets is the donors responsibility).



Any acknowledgement letters for gifts of stock will mention the number and type of shares we have received, but we cannot provide a value of the shares.

The American Battlefield Trust will sign IRS form 8283 if provided by the donor. Donors should use this form to report information about their noncash charitable contributions. They must file this form if the amount of their deduction for all noncash gifts is more than \$500.

The American Battlefield Trust will sign and file IRS form 8282 as appropriate.