

Gift Agreement Policy

2023 Capital Campaign

PURPOSE

This gift acceptance policy provides guidelines to representatives of the New York Aikikai who will be involved in the 2023 Capital Campaign drive in the acceptance of gifts, to outside advisors who may assist in the gift planning process, and to prospective donors who may wish to make gifts to the capital campaign. However, individual donors are encouraged to seek their own legal, tax and financial advice before completing a gift, and this Gift Acceptance Policy is not meant to be relied on as professional advice to an individual. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis. The gift review process outlined here, however, is intended to be followed closely.

Any questions which may arise in the review and acceptance of gifts will be referred to The Gift Review Committee (The Committee). The Committee, unless otherwise designated by the Board of Directors, will be comprised of the full Finance Committee of the New York Aikikai.

The Board of Directors of the New York Aikikai, upon the advice of the Committee, reserves the right to decline any gift for any reason, including gifts that it deems, in its sole discretion:

- Do not further the mission of the organization
- To be contrary or compromising to the core values of the organization
- Would create an administrative burden
- Would cause the organization to incur excessive expenses.

CASH

- All gifts by check, ACH, or wire transfer shall be accepted by New York Aikikai regardless of amount.
- Checks shall be made payable to New York Aikikai. In no event shall a check be made payable to an individual who represents the New York Aikikai in any capacity.

The following gifts may be accepted after consultation with the Committee:

PUBLICLY TRADED SECURITIES

- Readily marketable securities, such as those traded on a stock exchange, can be accepted by the New York Aikikai.
- The value of the gift of securities is the average of the high and low prices on the date of the gift.
- A gift of securities to the New York Aikikai is usually liquidated immediately.

CLOSELY HELD SECURITIES

- Non-publicly traded securities may be accepted after consultation with the Committee. The fair market value will be the value used by the donor in the preparation of the donor's tax return.
- The Committee will explore methods for liquidation of the securities through redemption or sale prior to acceptance. The Committee will try to determine:
 - Any restrictions on transfer, and
 - Whether and when an initial public offering might be anticipated.
- No commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities.

REAL ESTATE

- Any gift of real estate must be reviewed by the Committee.
- Normally, the donor is responsible for obtaining and paying for an appraisal of the property. The appraisal will be performed by an independent and professional agent. The appraisal must be based upon a personal visitation and internal inspection of the property by the appraiser. Also, whenever possible, the appraisal must include documented valuation of comparable properties located in the same area.
- The formal appraisal should contain photographs of the property, the tax map number, the assessed value, the current asking price (if any), a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation, or title disputes.
- The New York Aikikai reserves the right to require an environmental assessment of any potential real estate gifts prior to acceptance.
- The property must be transferred to the New York Aikikai prior to any formal offer or contract for purchase being made
- The donor may be asked to pay for all or a portion of the following:
 - Maintenance costs
 - Real estate taxes
 - Insurance
 - Real estate broker's commission and other costs of sale
 - Appraisal costs
 - Title Insurance
- For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate. This value may be reduced, however, by the costs of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

LIFE INSURANCE

- A gift of a life insurance policy must be referred to the Committee.
- The New York Aikikai can be named a contingent beneficiary or the beneficiary of a percentage of a life insurance policy
- The Committee will accept ownership of a life insurance policy as a gift only if the New York Aikikai is named as the owner and beneficiary of 100% of the policy.
- If the gift is a paid-up policy, the value for gift crediting and accounting purposes is the policy's replacement cost.
- If the gift is not a paid-up policy, the donor must agree to pay, before due, any future premium payments owing on the policy.
- If the policy is partially paid-up, the value for gift crediting and accounting purposes is the policy's cash surrender value (for IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value).

TANGIBLE PERSONAL PROPERTY

- Any gift of tangible personal property shall be referred to the Committee prior to acceptance.
- Gifts of jewelry, artwork, collections, equipment, and software shall be assessed for their value to the organization. Their value may be realized either by being sold or used in connection with the New York Aikikai's exempt purpose.
- Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value.
- The New York Aikikai shall adhere to all IRS requirements relating to valuation and disposition of gifts of tangible personal property and will provide appropriate forms to the donor and IRS.

DEFERRED GIFTS

The New York Aikikai encourages deferred gifts in its favor through any of a variety of vehicles:

- Charitable gift annuity (or deferred gift annuity).
- Pooled income endowment.
- Charitable remainder trust.
- Charitable lead trust.
- Bequest.
- Retained life estate.
- The New York Aikikai (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of the New York Aikikai's staff who is also serving as personal representative for a member of the organization does so in a personal capacity and not as an agent of the organization.
- The New York Aikikai (or its agent) shall not act as trustee of any charitable remainder trust.
- The New York Aikikai may invite prospective donors to consider gift vehicles offered by X (specifically, Charitable Remainder Trusts, Charitable Gift Annuities, and the Pooled Income Endowment).
- The New York Aikikai strongly urges you to consult with your attorney, financial and/or tax advisor to review this information provided to you without charge or obligation. This information in no way constitutes legal or financial advice.
- All information obtained from or about donors/prospects shall be held in the strictest confidence by the Committee. Neither the name, the amount, nor the conditions of any gift shall be published without the express written or oral approval of the donor and/or beneficiary.
- The New York Aikikai will seek qualified professional counsel in the exploration and execution of all planned gift agreements.
- The New York Aikikai recognizes the right of fair and just remuneration for professional services.