

## **International Institute of Minnesota Charitable Gift Acceptance Policy**

*Approved by the Board of Directors on:* May 12, 2008

The International Institute of Minnesota (IIM) is recognized by the Internal Revenue Service ("IRS") as a tax-exempt charitable organization as described in Internal Revenue Code ("IRC") §501(c)(3). Accordingly, charitable gifts to IIM by U.S. taxpayers are deductible (when made during a donor's life) from gross income in determining net taxable income for federal and state income tax purposes. Gifts to IIM are also deductible for state and federal gift tax and estate tax purposes.

IIM's Board of Directors has authorized the Executive Director to implement the gift arrangements and techniques listed below. This authorization is subject to the general principles listed on page two. Offers of gift arrangements or techniques not listed below will be referred to the Fiscal and Administration Committee of IIM's Board of Directors to determine whether IIM will accept the gift.

***Gifts will not be accepted from any donor(s) with well-documented opinions or activities that are contrary to the mission of IIM.***

### **Acceptable Gifts**

#### Gifts of Cash

IIM will accept gifts of cash.

#### Gifts of Marketable Securities.

IIM will accept gifts of marketable securities. IIM's policy is to sell marketable securities upon receipt. IIM will consider exceptions to the "sell upon receipt" policy for gifts from major stockholders, officers, directors, and others subject to legal restrictions regarding prompt sales of securities.

#### Gifts of Remainder Interests in Intangibles

IIM will accept gifts of an irrevocable remainder of intangible personal property, whether transferred by lifetime gift or bequest, and without regard to the age of the income beneficiary, provided that IIM has no management responsibility for the intangible property prior to taking possession of the remainder interest. This category would include but not be limited to a "charitable remainder unitrust" and "charitable remainder annuity trust." However, IIM does not sell charitable gift annuities and, consequently, will not accept a gift on condition that it manage the asset and pay the donor an annuity for life.

#### Gifts of Income Interests

IIM will accept gifts of income interest provided that IIM has no management responsibility regarding the asset(s) generating the income. This category would include but not be limited to a "charitable lead trust."

### Gifts of Tangible Personal Property and Real Estate

IIM will accept outright gifts of tangible personal property, such as ethnic costumes, paintings, silver, etc., if the property is useful to IIM's program or is readily resalable. Any offer of a gift of an interest in real estate (including remainder interests) shall be referred to the Fiscal and Administration Committee for review and approval.

### Gifts of Life Insurance

IIM will accept gifts of life insurance policies of which IIM is the absolute beneficiary.

### IRAs, 401(k) Accounts, Etc.

IIM will accept a lump-sum gift of the post-mortem balance (or designated portion thereof) of the donor's beneficial interest in Individual Retirement Accounts, 401(k) accounts, pensions, profit-sharing plans, and similar accounts and plans.

### Gifts by Bequests and Devise

IIM will accept gifts by bequest and devise, including those (1) for a specific amount or (2) for all or a specified percentage of the donor's residual estate. Gifts by bequest and devise may be either unrestricted or contingent.

### **Gift Acceptance Principles**

General principles relating to the acceptance of gifts are:

1. Only those gifts that do not compromise IIM's tax-exempt status can be accepted.
2. No restrictions upon the use of a gift or its proceeds will be accepted if doing so would cause IIM to act contrary to law, or to its charter, bylaws, mission statement, agreements, or other governing documents.
3. Donor-imposed restrictions on how IIM may use a gift or its proceeds will be accepted only insofar as such restrictions conform to IIM's policies then in effect. In the absence of a controlling policy, such restrictions will be accepted only with the approval of IIM's Board of Directors.
4. Endowment gifts (permanently and temporarily restricted) shall insofar as possible conform to IIM policies then in effect regarding funds within IIM's endowment.
5. No restrictions on IIM's investment of a gift or its proceeds will be accepted.
6. Unless the Board of Directors or the Executive Committee has authorized the same, no gift will be accepted that requires commitment of IIM funds (not to be confused with raising funds) in order to satisfy a donor's intent.
7. Regarding the tax treatment of a gift, IIM shall adhere to applicable statutes and regulations applicable to valuing, reporting, handling, and disposing of each gift received. In particular, IIM will assign value to a non-cash gift only where the value may be readily determined by a written and signed appraisal that meets IRS standards.