GIFT ACCEPTANCE POLICY

MISSION

The Maine Historical Society (MHS) preserves and shares Maine’s story.

PURPOSE OF PRINCIPLES AND GUIDELINES

Founded in 1822, MHS is a 501(c)(3) nonprofit organized under the laws of the State of Maine. Since the beginning, MHS has relied on the generous support of individuals, corporations, and foundations to achieve our mission. MHS’s Board of Trustees and staff deeply appreciate our donors and partners and recognize the continuing importance of charitable giving to MHS’s vitality and future growth. Due to the ever-increasing complexity of giving plans and concepts, the following principles and guidelines have been established to ensure that all gifts provide maximum benefits for both the donor and MHS.

The following principles and guidelines therein do not pertain to “gifts in kind,” or tangible property donated to MHS for archival, museum, exhibition, collections, or Library purposes. Guidelines for review and acceptance of these types of gifts can be found in MHS’s Collections Management Policy, adopted by the Board of Trustees on November 12, 2014.

CORE PRINCIPLES

MHS’s Board of Trustees and staff appreciate a donor’s consideration of any gift. We encourage charitable support according to the following core principles:

- The gift advances MHS’s mission and values.
- There is a reasonable expectation that MHS will be able to fulfill the spirit of the donor’s intent in making the gift.
- There is a mutual belief that the gift will further the philanthropic, social, financial, or estate planning goals of the donor.
- It is within MHS’s power to recognize the gift in a way that honors the donor’s wishes and is fair and equitable to other supporters.
- The cost to realize the value of the gift and/or recognize it appropriately will not be excessively burdensome, nor reflect negatively on the organization.
- MHS carefully protects its integrity and autonomy – the gift cannot create undue influence, cause us to compromise our values, or result in any unlawful or discriminatory activity.
- MHS will conduct due diligence as appropriate prior to gift acceptance.
- The gift will be reported, with transparency and in full compliance with current regulations, to the required federal and state agencies.
FINANCE & INVESTMENT COMMITTEE

MHS’s Board Finance & Investment Committee serves as our Gift Acceptance Committee, charged with reviewing the Gift Acceptance Policy on an annual basis, reviewing unusual gifts, and making recommendations to MHS’s Board on gift acceptance issues when appropriate.

Any Committee meetings that include gift acceptance items on the agenda will also include the Chair of the Institutional Advancement Committee and Director of Institutional Advancement as ex-officio members.

DONOR USE OF ADVISORS

Most gifts offer some tax advantage to donors, and MHS urges each donor to seek the most appropriate ways to maximize these advantages. While MHS welcomes the opportunity to discuss philanthropic goals, giving opportunities, and gift intentions with each donor, we cannot offer specific financial or estate planning advice on gift methods, financial management, or other aspects of charitable gift planning. MHS urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. MHS makes every effort to ensure gifts are in the best interest of the organization and the donor, and to comply with the Donor Bill of Rights (available through https://afpglobal.org/donor-bill-rights).

USE OF LEGAL COUNSEL

MHS reserves the right to seek legal counsel in any matter concerning the negotiation, documentation, or acceptance of gifts. Review by counsel will be considered for any transaction, including, but not limited to:

1) Closely held stock transfers that are subject to restrictions or buy-sell agreements.
2) Documents naming MHS as a Trustee.
3) Gifts involving contracts, such as bargain sales or documents requiring MHS to assume an obligation.
4) Transactions with potential conflict of interest that may invoke Internal Revenue Service sanctions.
5) Other instances as deemed appropriate by the Finance & Investment Committee.

TYPES OF GIFTS ACCEPTED

MHS welcomes outright gifts of cash, securities, insurance policies, real and personal property, as well as multi-year pledges. We are also pleased to accept deferred gifts such as bequests and trusts. The following assets are acceptable as described either as outright gifts, as bequests or estate gifts, or when deemed appropriate by MHS’s Finance & Investment Committee:

1) **Cash**: MHS accepts cash, currency/coin, checks, money orders, bank drafts, and gifts via credit/debit cards. Gifts from donor-advised funds are welcomed. Check or money orders should be made payable to the Maine Historical Society. Digital currencies, such as bitcoin, are not currently accepted.

2) **Securities**: MHS accepts both publicly traded and closely held securities.
Publicly Traded Securities: Gifts of publicly traded stocks and bonds are generally accepted. To expedite transfer of funds to the appropriate account and facilitate processing, MHS’s brokerage firm or investment department of the financial institution that manages the majority of MHS’s investments shall be used whenever possible. It is MHS’s policy to sell donated securities immediately upon completion of the donation. MHS may decline donations of publicly traded securities due to restrictions, encumbrances, lack of market activity, or other reasons.

Closely Held Securities: Closely held stock (including, but not limited to debt and equity positions in non-publicly traded companies, interests in limited partnerships and limited liability companies) will be accepted only if doing so is in MHS’s best interest. In making this determination, MHS will consider marketability, tax consequences, and other matters deemed appropriate. Every effort will be made to sell closely held securities as quickly as possible unless a longer-term hold is deemed advisable by MHS in its sole discretion.

Stock transfer details:
Brokerage Firm: Harpswell Capital Advisors, LLC, 41 Campus Drive, Ste. 203, New Gloucester, ME 04260
DTCC #0443
Agent Bank #94109
Institutional #94109
FBO Maine Historical Society
Account Number #Q3J016994

3) Bequests: This is a gift by will or will codicil (will amendment or addition) that is payable according to the terms of that legal document. Bequests may provide for a specific dollar amount in cash, specific securities, a specific piece of real estate, specific articles of tangible personal property, a percentage of an estate, or a percentage of a residuary estate (that portion of an estate remaining after specific bequests have been made). A bequest of all or a portion of a revocable living trust may also be made to MHS.

MHS welcomes unrestricted and specific bequests that support its mission, and credits each bequest at the explicit value of the gift or gifts conveyed, to the full extent of the law.

Samples of bequest language:

UNRESTRICTED BEQUEST
“I give (____ dollars) (or a specific asset) or (___ percent of the rest, residue and remainder of my estate) to Maine Historical Society, the charitable, tax-exempt organization located in Portland, Maine, for its general purposes.”

BEQUEST FOR SPECIFIC PURPOSE
“I give (____ dollars) (or a specific asset) or (____ percent of the rest, residue and remainder of my estate) to Maine Historical Society, the charitable, tax-exempt organization located in Portland, Maine, to be used for the following purposes: (state the purpose).”

NOTE: If a donor wishes to restrict a bequest to a specific purpose, he or she should contact the Institutional Advancement Office to make sure that the language used will accomplish the donor’s wish and align with MHS’s needs.
4) Deferred Income / Retirement Plan Beneficiary Designations: Donors may name MHS as beneficiary of their retirement plans, including IRAs, 401(K)s, 403(B)s, and other plans. Direct Rollovers from such plans may also be possible and will be accepted as made allowable by IRS law.

5) Insurance: MHS may be named as a percentage or contingent beneficiary of any life insurance policy. In addition, MHS accepts life insurance policies for which the donor has relinquished ownership by assigning all rights, title, and interest in the policy to MHS. If the insurance policy is not fully paid up, the usefulness of the gift is judged on a case-by-case basis. If the policy is accepted, MHS may choose either to cash it in for the current surrender value or continue to pay the premium. MHS shall have no obligation to continue premium payments on insurance policies. Paid-up life insurance policy gifts in which MHS is the owner and irrevocable beneficiary are acceptable.

6) Tangible Personal Property: MHS may accept gifts of tangible personal property. Before accepting personal property, MHS will consider, among other things, potential use, marketability, restrictions, and carrying costs. Acceptance of gifts of historic collections will be considered through the purview of the MHS Collections Management Policy. See page one.

7) Real Estate: Donations of real estate (including remainder interests) will be accepted only after a review by MHS’s legal counsel. Before accepting a donation of real estate, MHS will consider, among other things, potential use, marketability, restrictions, carrying costs, environmental liability, and existence of financial encumbrances. Our customary procedure is to sell such gifts immediately. However, MHS retains the right to postpone a sale; the donor may not stipulate the timing of a sale.

8) Bargain Sales: MHS may accept donations involving bargain sales, subject to approval by the Finance & Investment Committee. Factors used in determining the appropriateness of the transaction include value substantiated through independent appraisal, debt ratio, potential for use or sale of property, costs to safeguard, insure, and other expense to own the property (including property tax, if applicable) during the holding period.

9) Charitable Gift Annuities: At this time, MHS does not accept charitable gift annuities. The introduction of a CGA policy will be revisited on an annual basis.

10) Trusts: MHS will accept beneficial interests in trusts, including but not limited to charitable lead trusts and charitable remainder trusts. We will not generally accept appointment as a trustee.

Other types of gifts not mentioned in these guidelines, including intangible personal property (such as oil/gas/mineral/timber rights, licenses, patents etc.) and in-kind contributions may be acceptable within reason for the purpose given, and in an amount appropriate for the gift type. MHS will use fiscally and legally sound rationale for acceptance and will review with the Finance & Investment Committee and MHS’s legal counsel when appropriate.
DESIGNATIONS AND RESTRICTIONS

MHS encourages donors to make unrestricted gifts that give the organization the most flexibility to meet high-priority needs.

However, the donor has the right to designate a gift for a specific purpose and should discuss the feasibility and practicality of intended restrictions with the MHS Executive Director or Director of Institutional Advancement in advance of making the gift. It is important for MHS to be aware of and document a donor’s intentions for future implementation, particularly for planned gifts that may not mature for many years. MHS will not accept restricted gifts that violate our bylaws, that are prohibitively difficult to administer, or that are for purposes outside the mission of MHS. While donor intent often informs the purpose, spirit, and/or broad strategy surrounding a restricted gift, donors may not exert undue influence on decisions related to the programmatic implementation of the gift.

Any decision to refuse or accept an unusually restricted gift shall be reviewed by the Finance & Investment Committee.

MHS designates unrestricted bequests and planned gifts to Board-designated endowment to support MHS’s mission in perpetuity. In certain circumstances, the Finance & Investment Committee may recommend designating a bequest or a portion of a bequest for a strategic purpose outside of the endowment in keeping with MHS’s and/or the donor’s interests.

RECORDING AND VALUATION OF GIFTS

Acknowledgement
Acknowledgement of all gifts (outside of Collections) made to MHS and compliance with current IRS requirements in acknowledgement of such gifts shall be the responsibility MHS’s Institutional Advancement and Finance staff in accordance with IRS Publication 561 Determining the Value of Donated Property (http://www.irs.gov/pub/irs-pdf/p561.pdf) and IRS Publication 52 Charitable Contributions (http://www.irs.gov/pub/irs-pdf/p526.pdf). For a donor’s records, gifts are dated at the time they leave the donor’s possession; for MHS’s records, all gifts are dated when received. Gifts of cash, securities, and paid insurance policies are accepted immediately upon receipt. For deferred gifts such as bequests, trusts, annuities and life estates, irrevocable gifts are counted at the time of the gift and discounted as necessary. Revocable gifts will be gratefully acknowledged and may be counted toward fundraising goals (e.g., campaign reports) according to generally accepted practices, but will not be booked as income to MHS until realized.

Multi-year pledges
Multi-year pledges will be documented through a written agreement. We appreciate payment in the shortest amount of time practical for the donor, generally not to exceed five years. Exceptions can be made if it is in the best interest of MHS and the donor. Generally, in accordance with standard accounting procedures, we will recognize the full value as income in the year the pledge is made and may use pledges as collateral for a line of credit to meet operating expenses.

Valuation and appraisal
Gifts (other than cash, which should be valued at dollar face value) will be valued in an appropriate manner and in consonance with sound accounting principles and the valuation rules set out in Publication 561 of the Internal Revenue Service and the relevant income, gift and estate tax laws and regulations. Copies of Publication 561 are available at www.irs.gov. Generally, real, personal, and/or
intangible property contributed to MHS that has a value in excess of $5,000 must be accompanied by a qualified independent appraisal. MHS reserves the right to undertake an appraisal at its own expense.

Full responsibility rests on the donor for claiming any deductions including filing form 8283. Any appraisal, legal documents, or environmental assessment found necessary will be the responsibility of and conducted at the expense of the donor. Full responsibility also rests on the donor for the value given to tangible personal property or services, and donors will be expected to provide MHS with a copy of any qualified appraisal required. MHS will not be responsible for appraising the value of goods and/or services provided by a donor.

Record-keeping
MHS will be responsible for filing IRS Form 8282 in compliance with IRS guidelines upon the sale or disposition of any asset sold within two years of receipt by MHS when the charitable deduction value of the item is more than $5,000.

MHS reserves the right to alter the value of contributed property on its records for accounting, tax-reporting, annual fund record-keeping or any other purpose if developments after the completion of the gift or information that comes to the attention of MHS after the gift is completed are determined, upon review by the Finance & Investment Committee or MHS’s auditors, to merit such an alteration.

STEWARDSHIP AND CONFIDENTIALITY

Donors can expect appropriate documentation of their gift, timely reporting on the use of funds (if desired), and utmost respect for the privacy of their personal or proprietary information.

MHS strives to recognize donors and their gifts appropriately. Donor names and giving levels may be published in MHS’s annual report or other print and online communications. Recognition may also be associated with specific programs or events. Naming opportunities can be provided to recognize major gifts. Entire buildings, portions of buildings, rooms, and endowed positions or services can be named in recognition of a donor, a member of the donor’s family, an honored friend of the organization, or another individual. All naming opportunities for major gifts will be made with the permission and involvement of the donor, MHS’s Executive Director, and Director of Institutional Advancement. Such naming opportunities may be subject to review by MHS’s Finance & Investment Committee prior to gift acceptance.

All reasonable steps shall be made to keep information concerning prospective, active, inactive, or lapsed donors confidential. No information, other than for the purposes of recognition, shall be released to the general public who do not have a need to know without securing the prior permission of the donor. Donor requests for anonymity will always be honored.

CHANGES TO GIFT ACCEPTANCE POLICIES

These policies and guidelines have been reviewed and accepted by MHS’s Finance & Investment Committee, Executive Director, and Board of Trustees. MHS’s Finance & Investment Committee must approve any changes to, or deviations from, these policies.

Approved by the Board of Trustees on September 10, 2021.
Jean Gulliver
Chair, Board of Trustees, Maine Historical Society