



Parkview Baptist School (PBS), a not for profit organization organized under the laws of the State of Louisiana, welcomes and encourages the solicitation and acceptance of gifts to PBS for purposes that will help PBS to further and fulfill its mission. These policies and guidelines govern the acceptance of gifts, pledges, and bequests made to PBS or for the benefit of any of its programs as well as to provide guidance to prospective donors and their advisors with respect to proposed gifts to PBS.

The mission of Parkview Baptist School, in partnership with the church and community, is to seek first the Kingdom of God while providing students with a Christ-centered, college-preparatory education that allows them to grow and mature in wisdom, in stature, and in favor with God and man.

The following policies and guidelines govern acceptance of gifts made to PBS or for the benefit of any of its programs.

Purpose of Policies and Guidelines

This Gift Acceptance Policy is to give guidance and counsel to those individuals within Parkview Baptist School (PBS), concerned with planning, promotion, solicitation, receipt, acceptance, application, and disposition of charitable gifts. The PBS Board of Directors is responsible for the PBS Gift Acceptance Policy. **All gifts are to be accepted in accordance with the policy statements set forth herein.**

This policy is designed to ensure that all gifts to, or for the use of, Parkview Baptist School are structured to provide the maximum benefits for both the donor and PBS. Donors are encouraged to seek their own legal, tax, financial, and estate professional counsel to assist them in the process of making their gift. PBS may not act as an advisor to any donor with respect to such matters; however, PBS will work with any such counsel in structuring the type or terms of a proposed gift.

Parkview Baptist School shall only accept those gifts that are consistent with its mission, goals, purposes, and services. To prevent misunderstandings and conflicts, PBS gift guidelines must be carefully drawn, adequately publicized and impartially applied to the fullest extent possible. However, a degree of flexibility must be maintained since some gift situations will be unforeseen, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate officers and/or involved persons of PBS along with the Parkview Baptist School Board and PBS legal counsel if necessary.

All gifts offered to Parkview will be seriously considered. All gifts accepted by PBS will utilize charitable giving procedures that conform to federal and state laws and regulations.

This Gift Acceptance Policy shall be reviewed by the Advancement Committee of the Parkview School Board on an annual basis or as circumstances warrant, and they shall recommend any revisions to the policy to the full Parkview School Board of Directors for approval.

Gift Solicitation

No individual, department or program of Parkview Baptist School shall solicit funds in the name of, or on behalf of, the school until and unless authorized to do so by the Superintendent, Director of Advancement, Director of Development, or their designated representative(s).

Gift Acceptance Committee

The Gift Acceptance Committee is charged with the responsibility of reviewing gifts, pledges, and bequests offered to the PBS, properly screening and accepting those gifts in accordance to this policy, and making recommendations to the Board on gift acceptance issues when appropriate or necessary. When special circumstances arise, the Gift Acceptance Committee may invite legal counsel and/or the PBS Board Executive Committee to review and approve a gift in a form or containing terms that do not conform to this policy. Parkview Baptist School will not accept any gift that is incompatible with its mission or philosophy, puts the assets or reputation of PBS at risk, or is prohibited by law.

The gift acceptance committee shall consist of the following individuals:

- President of the PBS Board of Directors
- Advancement Committee Chair of the PBS Board of Directors, or designee
- Finance Committee Chair of the PBS Board of Directors, or designee
- Chief Financial Officer of PBS
- Ex-Officio members shall include the Superintendent, Director of Advancement, Director of Development, and others as appointed by the Board President.

For purposes of gift acceptance issues, telephone, fax, and/or e-mail polls of the Gift Acceptance Committee will be acceptable.

Use of Legal Counsel

Parkview Baptist School shall seek the advice of legal counsel in matters relating to proposed acceptance of gifts when appropriate or necessary. Review by counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements
- Review of documents naming PBS as Trustee
- Gifts involving contracts, such as bargain sales or other documents requiring PBS to assume an obligation
- Transactions with potential conflict of interest that may invoke IRS sanctions
- Other instances in which use of counsel is deemed appropriate by the PBS Board of Directors or the Gift Acceptance Committee.

Conflict of Interest

Parkview Baptist School does not provide legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Parkview Baptist School endorses the Model Standards of Practice for the Charitable Gift Planner promulgated by the National Committee on Planned Giving (attached as appendix A) and the Donor Bill of Rights promulgated by the Association of Fundraising Professionals (attached as appendix B).

Donor Confidentiality

Parkview Baptist School holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All requests of, or releases of, information concerning a donor or prospective donor will be granted only if permission is first obtained from the donor.

Restrictions on Gifts

Parkview Baptist School may accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. Parkview Baptist School will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporation, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of PBS. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Gift Acceptance Committee.

Forms of Gifts

The following forms of gifts are acceptable, among others, when otherwise in accordance with this policy:

- Cash
- Tangible Personal Property
- Gifts-in-Kind
- Securities
- Real Estate
- Remainder Interests in Personal Property
- Oil, Gas, and Mineral Interests
- Bargain Sales
- Life Insurance
- Charitable Gift Annuities

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- Charitable Remainder Trusts
- Revocable Trust Agreements
- Charitable Lead Trusts
- Retirement Plan Beneficiary Designations
- Bequests
- Life Insurance Beneficiary Designations
- Intellectual Property Rights
- Donor Advised Funds

The following criteria govern the acceptance of each gift form as follows:

Cash: Cash is acceptable in any negotiable form – cash, check, credit card, or wire transfer. Checks must be made payable to Parkview Baptist School. All cash gifts should be delivered to PBS's administrative offices.

Tangible Personal Property: Gifts of tangible personal property, including but not limited to works of art, manuscripts, literary works, boats, motor vehicles, journals, antiques, and computer hardware, may be accepted as long as the property can be readily liquidated to generate cash or the property is intended for use or consumption by PBS. Any gift of tangible property having a value estimated to be \$5,000 or greater must be approved by the Gift Acceptance Committee.

The Gift Acceptance Committee should evaluate the following when determining whether to accept a gift of tangible personal property:

- The property must be in alignment and fulfill the mission of PBS.
- The property should be marketable.
- A full assessment of the market for and costs of transportation to market and sell the property should be reviewed.
- The property should be of practical use by PBS.
- A review of possible undue restrictions on the use, display, or sale of the property should be evaluated.
- An assessment of any carrying costs (insurance, storage, ongoing maintenance) for the property should be studied.

Gifts with a value of \$5,000 or less will be recorded at the value placed on them by the donor. Gifts with values greater than \$5,000 will be recorded at the value determined by a qualified independent appraiser. In accordance with IRS guidelines, the donor must submit a copy of IRS form 8283 and a copy of the appraisal to the PBS Gift Acceptance Committee for review and approval. Appraisals will not be required if the gift has a readily available market price.

The final determination on the acceptance of other tangible property gifts shall be made by the Gift Acceptance Committee.

Gifts-In-Kind: Gifts-in-kind are non-cash donations of assets, such as artwork, personal libraries, equipment, intellectual property, etc. that serve to further the mission and purposes

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of PBS. These gifts are valued according to IRS regulations.

The donor is responsible for determining the value of the gift-in-kind. Gifts valued at \$5,000 or more must be documented by a qualified independent appraiser. The donor must submit a copy of IRS Form 8283 and a copy of the appraisal to the PBS Gift Acceptance Committee for review and approval. PBS will record the gift based on the documented appraisal or, if less than \$5,000, an internally determined fair market value (if objective criteria are not obtainable).

The gift receipt that the donor receives from PBS will acknowledge the gift-in-kind, but not its value, unless provided by the donor. The donor is responsible for determining the value the gift for tax reporting purposes.

Securities: Parkview Baptist School can accept both publicly traded securities and closely held securities.

- **Publicly Traded Securities:** Parkview Baptist School may accept publicly traded securities, including mutual fund shares. Marketable securities will be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature of stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the PBS Board Finance Committee, Gift Acceptance Committee, or Chief Financial Officer. In some cases, marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Gift Acceptance Committee.
- **Options and Other Rights in Securities:** the following conditions apply to acceptance of warrants, stock options, and stock appreciation rights:
 - If PBS is required to advance funds upon exercise of the gift, PBS must have the required funds available.
 - There cannot be a risk of loss of funds by PBS in accepting the gift.
 - If there are restricted rights, it cannot affect the ability of PBS to dispose of the asset nor can it materially impact the value of the gift to PBS.
 - It should be disclosed and acknowledged prior to the acceptance of the gift and/or exercise of the option whether it will trigger any tax consequences to the donor.
- **Closely Held Securities:** Closely held securities, including debt and equity positions in non-publicly traded companies, as well as interests in LLPs and LLCs, or other ownership forms, may be accepted only upon approval of the Gift Acceptance Committee. Unless otherwise directed by the Gift Acceptance Committee or Chief Financial Officer, such securities will be sold as soon as it is legally permissible. The Gift Acceptance Committee should, among others, review the following topics when determining whether to accept such a gift:
 - The type of entity represented by the gift must be known (e.g. C Corporation, S Corporation, LLC, LLP) as well as the nature of the company's business.

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- There cannot be any liability for PBS based on how the operation of the gift interest.
- There must not be any legal or contractual restrictions on the security on the resale that would prevent PBS from ultimately converting those assets to cash.
- The security must be marketable with a reasonable estimated time for sale.
- There cannot be any undesirable tax consequences to PBS arising from accepting or holding the securities.
- The securities should represent a controlling interest.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The final determination on the acceptance of closely held securities shall be made by the Gift Acceptance Committee and legal counsel if necessary. Providing the security will not generate legal risk, every effort will be made to sell non-marketable securities as quickly as possible.

Real Estate: Parkview Baptist School may accept gifts of real estate only in compelling circumstance and when approved by the Gift Acceptance Committee. Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, PBS requires an initial environmental review of the property to ensure that the property has no environmental damage. In the event that the initial inspection reveals a potential problem, PBS may retain a qualified inspection firm to conduct an environmental audit. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. When appropriate, a title binder shall be obtained by PBS prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

The property must be free and clear of all encumbrances, including mortgages, liens, unpaid taxes; not subject to any commitment for sale or any material easements or restrictions; readily marketable; and free of environmental hazards and undue carrying costs. Additionally, any retained life estate contract should include provisions requiring the life tenant to maintain the property, pay all taxes on the property, insure the property, and not to encumber the property.

Prior to acceptance of the real estate, the gift shall be approved by the Gift Acceptance Committee and by PBS legal counsel. The following conditions should be reviewed when determining the acceptance of the property:

- The property must be useful for the purposes of PBS.
- The property should be readily marketable.
- There should not be any covenants, conditions, restrictions, reservations, easements, encumbrances, or other limitations associated with the property.
- An assessment of any carrying costs (including insurance, property taxes, mortgages, notes or the like) or maintenance associated with the property should be evaluated.

- An environmental review or audit should reflect that the property is not damaged or otherwise requires mediation.
- **Remainder Interests in Property:** Parkview Baptist School may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions stated above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the life tenants, PBS may use the property or reduce it to cash. Where PBS receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor and/or primary beneficiary.
- **Oil, Gas, and Mineral Interests:** Parkview Baptist School may accept oil and gas property interests, where appropriate. Prior to acceptance of an oil and gas interest, the gift shall be approved by the Gift Acceptance Committee, and if deemed appropriate, by PBS legal counsel.

Criteria for the acceptance of the property shall include:

- Gifts of surface rights should have a value of \$20,000 or greater.
- Gifts of oil, gas, and mineral interests should generate at least \$3,000 per year in royalties or other income (as determined by the average of three years prior to the gift.)
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
- A working interest is rarely accepted. A working interest may only be accepted when there is a plan to minimize potential liability and tax consequences.
- The property should undergo an environmental review, paid for by the donor, to ensure that PBS has no current or potential exposure to environmental liability.
- The considerations in the Real Estate section.
- **Bargain Sales:** Parkview Baptist School may enter into a bargain sale arrangement in instances where the bargain sale furthers the mission and purposes of PBS. All bargain sales must be reviewed and recommended by the Gift Acceptance Committee.

Criteria to be used in determining the appropriateness of the transaction include:

- Parkview Baptist School must obtain an independent appraisal substantiating the value of the property.
- If PBS assumes any debt with the property, the debt ratio must be less than 50% of the appraised market value.
- Parkview Baptist School must determine that it will use the property, or that there is a market for the sale of the property allowing sale within 12 months of receipt.
- Parkview Baptist School must calculate the costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period.

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Life Insurance: Parkview Baptist School may accept a gift of life insurance in the form of a transfer of a paid-up whole life policy. PBS will not accept a gift of life insurance of a term policy. PBS reserves the right, at its discretion, to cash in any insurance policy or to retain it. PBS will not undertake to obtain insurance on the life of a donor or otherwise at the request of a donor and will not accept ownership of any policy that is subject to an outstanding loan.

Parkview Baptist School must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, PBS will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, PBS may elect one of the following:

- Continue to pay the premiums,
- Convert the policy to paid up insurance,
- Surrender the policy for its current cash value, or
- Allow continuation of insurance through use of current and future policy value.

Once the policy is accepted, life insurance holdings will be reviewed annually to determine whether it's best to continue to pay the premiums, convert the policy for its current cash value, or change the underlying investment structure.

Life Insurance Beneficiary Designations: Donors and supporters of PBS are encouraged to name the PBS as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to PBS 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.

Charitable Gift Annuities: Parkview Baptist School may offer both current and deferred charitable gift annuities to its donors. Payout rates depend on the number of annuitants and their ages. PBS will follow the rates recommended by the American Council on Gift Annuities. The minimum gift for funding is \$10,000 and the minimum age for an annuitant is 70 (at the time the annuity is funded or, in the case of a deferred annuity, at the time the annuity is scheduled to begin payments to the annuitant). No more than two life income beneficiaries will be permitted for any gift annuity.

Annuity payments may be made on a quarterly, semi-annual, or annual schedule. PBS will accept only cash or marketable securities for current annuities, and will consider real estate or closely held stock for deferred gift annuities with a deferred period of five years or more, with the approval of the Gift Acceptance Committee.

Charitable Remainder Trusts: Parkview Baptist School encourages donors to name PBS as a remainder beneficiary of a charitable remainder trust. PBS will not accept appointment as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.

Revocable Trust Agreements: Parkview Baptist School encourages donors to name PBS as a beneficiary of all or a portion of a revocable trust agreement. PBS will not accept appointment as trustee of a revocable trust agreement and will instead encourage the donor to use a professional fiduciary.

Charitable Lead Trusts: Parkview Baptist School may accept a designation as income beneficiary of a charitable lead trust. Unless approved by the Gift Acceptance Committee, PBS will not accept appointment as trustee of a charitable lead trust.

Retirement Plan Beneficiary Designations: Parkview Baptist School may accept beneficiary designations in an IRA or qualified retirement plan (such as a 401(k) or 403(b) plan) or an annuity contract. Donors and supporters of PBS will be encouraged to name PBS as a primary or contingent beneficiary of their retirement plans. Such designations will not be recorded as gifts to PBS 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.

Bequests: Donors and supporters of PBS will be encouraged to make bequests to PBS under their wills and trusts. Such designations will not be recorded as gifts to PBS until such time as the gift is irrevocable.

Intellectual Property Rights: Intellectual property rights, which include royalties, patents, copyrights, contract rights or other similar interests, will be examined in light of the following conditions:

- The intellectual property right must be related to the mission of PBS.
- The ownership of the intellectual property right should be able to be clearly transferred or assigned to PBS.
- If there is a fractional interest of the intellectual property right, PBS must have the majority interest. The other owners and their percentage interest should be consistent with the mission of PBS. It should be disclosed and acknowledged prior to the acceptance of the gift whether the gift would be deductible to the donor under the IRS partial interest gift rules.
- The right in the intellectual property should generate, or have the potential to generate, at least \$5,000 or more each year.
- There should be market for the sale or licensing of the intellectual property right.
- PBS will not assume any costs to accept a gift of the intellectual property right. (Examples of possible expenses would be a patent application for the gift that will require further action to secure, or possible claims, liens or other contests associated with the property, or costs associated with defending the intellectual property right.)
- There should not be any significant restrictions on the retention or use of the property.
- A full assessment of any possible agreements or other legal documents that PBS would be required to execute in order to obtain patents, market the property and grant licenses in the name of PBS should be reviewed.

Donor Advised Funds: A donor advised fund (DAF) is a legal nonprofit entity to which a donor can make a charitable gift. The donor can then suggest or recommend to the DAF to what other nonprofits they should further distribute these funds. The DAF cannot be required by the donor to make a specific distribution. The IRS prohibits the DAF entity from distributing funds if it will provide benefits or privileges to the donor.

When the Foundation receives a gift from a DAF, the DAF entity will receive gift credit and a receipt for the donation. The donor to the DAF who was responsible for requesting the grant to the Foundation will receive soft credit. This allows PBS to include DAF gifts in individual donor gift totals for recognition.

Miscellaneous

Valuation of gifts: Parkview Baptist School will record a gift received by PBS at its valuation for gift purposes on the date of gift in compliance with IRS rules and regulations. IRS 561 Publication – Determining the Value of Donated Property (attached as appendix C).

Gift accounting: Parkview Baptist School will follow generally accepted accounting practices in crediting and reporting gifts and pledges. These guidelines include standards approved by the Financial Accounting Standards Board (FASB). All charitable gifts to Parkview Baptist School are recorded in PBS records by the name of the donor and include the date of the gift, purpose (if any), and value in compliance with IRS rules and regulations. IRS Publication 526 – Charitable Contributions (attached as appendix D).

Gift acknowledgments: PBS Development staff has the responsibility to send the appropriate written gift acknowledgment to the donor in compliance with IRS rules and regulations. IRS Publication – 1771 – Charitable Organizations Substantiation and Disclosure Requirements (attached as appendix E). Written documentation is required for all pledge commitments that must include the pledge payment schedule in order to assist PBS with financial planning. Copies of all pledges commitments and gift acknowledgements will be maintained by PBS.

There are some kinds of support provided by parents, alumni, and friends that benefit PBS, but do not qualify as a charitable contribution, as defined by the IRS; therefore, this support cannot be counted as gifts to PBS. Free professional services (legal, tax, or consultation), use of an asset (a car, computer, or use of real estate), and hosting an event in a home or off campus location are some examples of this type of support.

Even though they do not meet IRS requirements to be a tax deductible charitable contribution, they should be acknowledged by a thank you letter and recorded in the donor's record in the gift record system.

Pledges: Legally enforceable commitments to make a future gift to PBS may be made through a written pledge agreement payable according to a fixed time schedule over a designated period of time. Exceptions or changes to the original pledge agreement will require the approval of the Gift Acceptance Committee.

Matching Gifts: Many companies make matching gifts for charitable donations of their employees to schools. PBS follows policies established by CASE (The Council for Advancement and Support of Education) and individual corporate policies for matching gifts. Gift credit is given to the company for their matching gift, and “soft credit” is given to the person who had his/her gift matched by the respective company. Individuals are given recognition for matching funds for donor recognition purposes. Matching gifts must be used for the same purpose of the original gift.

Securing appraisals and legal fees for gifts to PBS: It will be the responsibility of the donor to secure an appraisal (where required) and the advice of independent legal, financial or other professional counsel as needed for all gifts made to PBS.

Responsibility for IRS filings upon sale of gift items: PBS CFO is responsible for filing IRS Form 8282 (attached as appendix F) upon the sale or disposition of any asset sold within three years of receipt by PBS when the charitable deduction value of the item is more than \$5,000. PBS must file this form within 125 days of the date of sale or disposition of the asset.

Board of Directors

These policies and guidelines have been reviewed by the PBS Advancement Committee and have been recommended for approval to the PBS Board of Directors. PBS Board of Directors must approve any changes to or deviations from these policies.

Approved on the 23rd day of January, 2020.



President, Parkview Baptist School Board of Directors