

## Gift Policy

Approved by the Murrysville Community Library Board of Trustees  
June 20, 2019

### **Policy Statement**

The Murrysville Community Library (Library) Board of Trustees (Board) encourages gifts to the Library consistent with the Library's mission and policies. Donations are not intended to replace regularly budgeted Library expenditures; however, private resources can extend and enrich Library services.

When possible, please donate directly to the Murrysville Community Library Foundation (Foundation), a 501(c)(3) nonprofit organization. The Foundation exists to handle monetary gifts, endowments, gift annuities, lead trusts, and bequests to support the Library's vital role in our community.

All donations are subject to the internal policies and procedures of the Library. To view these policies as they may pertain to your donation, please submit your request to the Library Director.

### General Information:

1. Any amount paid by cash, check, credit card, funds transfer, or the like is encouraged and welcome. The donor will be credited with the full amount of the gift. Donations made with a credit card are subject to a service charge.
2. Requests for anonymity will be honored, subject to the Foundation's need for recording and other internal processes required for proper audit and legal compliance.
3. Under the guidance of the Library Director, gifts of miscellaneous books or other materials in good condition may be accepted with the understanding that items that are not added to collections will be disposed of at the discretion of the Library.
4. If the Library accepts a gift, the gift shall be final and no restrictions on the Library's ownership, possession, use, or disposition of the gift shall be effective other than restrictions approved by the express vote of the Board and memorialized in writing.
5. Every proposed gift of real estate must be examined on its individual merits, including, but not limited to: the title to the property and its **Insurability**, the results of environmental investigations, and marketability. A current appraisal, completed by a qualified appraiser, must be provided by the donor.
  - a. The proposal to accept a gift of real property must go to the Board with all collected information. Acceptance can only be made by the Board or Executive Committee, unless the Board by resolution delegates this authority to a designated committee or officer.
  - b. Donors considering giving real property by Will are strongly encouraged to secure a full review of the proposal and tentative approval by the Board and Foundation before signing such a Will.
  - c. Neither the Board nor the Foundation will pay for the legal services or costs, appraisals or other services rendered on behalf of the donor. If the Board or Foundation elects to do so in any case, valuation for recognition crediting will be reduced accordingly

6. Collections: Only the Library Director in consultation with the Board, and with the understanding that the collection may not be kept intact, may accept Gift collections.
7. Art and decorative objects: In general, gifts of art objects shall be of local interest to the community, of a professional quality, well executed, and in good condition. These gifts may be accepted at the discretion of the Library Director. As with all other gifts, art objects will be accepted only with the donor's full agreement that the Library has the right to handle or dispose of the gift in the best interests of the institution. Because of the limited display and storage areas and focus on its primary missions as a library and not a museum, potential donors of art and decorative objects are requested to discuss any possible gifts with the Library Director and Board.
8. Historical Artifacts: Due to the Library's restricted space, historical artifacts should be donated to the appropriate historical society – Murrysville, Westmoreland, etc. The Library is happy to accept historical library materials if they have been digitized and saved to CD or DVD. The Library may ask that the donor provide appropriate contextual information for the items including pertinent names (individuals, places, events) date and titles.
9. No gifts that require extensive, regular, or special care or conservation will be accepted.
10. The Library cannot accept securities that are not readily marketable. This type of security may include closely held stock, limited partnership interests, joint venture interests and other forms of investments that may not fall into the marketable securities category.
11. The Library reserves the right to refuse any gift that the Board and/or the Library Director, in its sole discretion, deems to be not in the best interest of the Library.

## **Appraisal**

The Library encourages donors to consider, for their own interest, obtaining an appraisal of their gifts for income tax purposes. Such appraisals are the responsibility of the donor and should be made, if possible, before the gifts are transferred to the Library in order to establish their fair market value. The Internal Revenue Service considers the Library to be an interested party, which therefore precludes appraisals made or financed by the Library. For this reason, donors must bear the costs of appraisal, but the costs may be deductible expenses. As income and estate tax laws are subject to frequent revision, the Library recommends that donors discuss gifts-in-kind appraisals with their attorneys. The acceptance of a gift that has been appraised by a disinterested party does not in any way imply endorsement of the appraisal by the Library.

## **Endowments**

1. Unrestricted: A gift made to the Library or through the Foundation made without restriction will be used for the Library's greatest need.
2. Restricted: Donors may specify purposes for which their donations may be used: programming, materials, etc. A gift specifying use but not using the word "endowment" allows the immediate

spending of the gift principal for the stated purpose if the Board or Foundation chooses. A restricted gift will be rejected if the purpose is unacceptable or if it will create unacceptable obligations on the part of the Board or Foundation.

3. Endowments: A gift made “for addition to permanent endowment” or with similar words or understanding is a special category of donor-restriction, and the gift is invested as part of the Foundation’s Endowment Fund. Its ordinary income and appreciation can be appropriated by the Board as it deems prudent, and it is this “imputed income” that is used for current expenditure on the Library’s priorities as the Board sees fit. The recommended amount for creating an endowment fund is \$10,000.
4. Restricted Endowment: A donor may restrict the gift not only to endowment, but also for a designated use. Such gifts should be accepted only in a manner that clearly sets out the expectations of the parties, either by addition to an existing fund that has its rules well established, or by a Fund Agreement drafted for the new gift. Given the perpetual nature of endowments, a gift with use restriction should always include language authorizing the Foundation to adjust the narrow purpose to something more suitable should the original purpose become unachievable or undesirable.
5. Quasi-Endowment: The Foundation, in consultation with the Board, may make internal decisions to designate as “quasi-endowment” funds that were originally received as non-endowed funds. A quasi-endowment functions in the same manner as a true endowment, serving as a permanent source of imputed income for support of its stated purpose. However, unlike the “true” endowment, its “rules” are adopted by the Board as a matter of self-discipline, rather than as required by law – accordingly, the rules or status can be freely changed by the act of a future Board.

### **Future Disposition of Gifts**

Libraries used extensively by their patrons sustain losses through theft, mutilation and ordinary wear.

Resources with obsolete and/or misleading information may be discarded with time. The Library therefore cannot guarantee that any gift will be part of the collection or furnishings permanently.