



## **BGCGM GIFT ACCEPTANCE POLICY as of May 5, 2026**

### **1. Policy and Purposes**

This Policy represents the policy of Boys & Girls Clubs of Greater Milwaukee (“BGCGM”) governing the solicitation and acceptance of gifts by BGCGM. The board of directors or trustees or authorized committee (collectively referred to herein as the “Governing Body”) of BGCGM and its staff solicit current and deferred gifts from individuals, corporations, foundations, and others for purposes that will further and fulfill the BGCGM’s mission. The mission of the BGCGM is to inspire and empower young adults, especially those who need us most, to reach their full potential as productive, responsible, and caring adults.

Purposes of this Policy include:

- a. guidance for the Governing Body, officers, staff and other constituencies with respect to their responsibilities concerning gifts to BGCGM; and
- b. guidance to prospective donors and their professional advisors when making gifts to BGCGM.

The provisions of this Policy shall apply to all gifts received by BGCGM. Notwithstanding the foregoing, BGCGM reserves the right to revise or revoke this Policy at any time, and to make exceptions to the Policy with approval by the Governing Body.

### **2. Use of Legal Counsel**

- A. BGCGM shall seek the advice of legal counsel and a tax advisor in matters relating to acceptance of gifts when appropriate. Review by legal counsel and a tax advisor is recommended for:
  - Closely held stock transfers that are subject to restrictions or buy-sell agreements;
  - Documents naming BGCGM as trustee;
  - Gifts involving contracts such as bargain sales, partnership agreements, or other documents requiring BGCGM to assume an obligation;
  - Transactions with a potential conflict of interest;
  - Gifts of real estate;
  - Pledge agreements with unique terms;
  - Gifts with donor restrictions with unique or unusual terms; and
  - Gifts of digital assets.
- B. Donor. BGCGM should encourage prospective donors to seek the assistance of their own legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

### **3. General Policy**

BGCGM shall not accept gifts that:

- Violate the terms of the BGCGM’s organizational documents;
  - Would jeopardize the BGCGM’s status as an exempt organization under federal or state law;
  - Are too difficult or expensive to administer;
  - Are for purposes that do not further BGCGM’s objectives; or
  - Could damage the reputation of BGCGM.
- Subject to Section 4 below, all final decisions on the acceptance or refusal of a gift shall be made by the Governing Body.

### **4. Policy Regarding Specific Types of Gifts**

- A. Gifts Generally Accepted Without Review (Gifts of Cash Without Donor Restrictions). Gifts of cash without donor restrictions will be accepted by BGCGM without prior review by the Governing Body, provided that the identity of the donor has been vetted with respect to any reputational or policy issues. Gifts of cash without donor restrictions are acceptable in any form. Checks shall be made payable to BGCGM.

- B. Gifts Subject to Governing Body Review Prior to Acceptance. All gifts, other than gifts of cash without donor restrictions, must be reviewed by the Governing Body prior to acceptance, unless the Governing Body authorizes certain de minimis gifts or categories of gifts to be accepted without its review. The following guidelines also apply:
- i. Tangible Personal Property: The Governing Body shall review and decide whether to accept gifts of tangible personal property by considering the following factors:
    1. Whether the property furthers the mission of BGCGM;
    2. The marketability of the property;
    3. The restrictions on the use, display, or sale of the property; and
    4. Carrying costs and possible liability for the property.
  - ii. Marketable Securities
    1. Marketable securities that are not restricted by applicable securities laws may be transferred to an account maintained by BGCGM at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. All marketable securities shall normally be sold as soon as practical following receipt, unless otherwise directed by the BGCGM's Governing Body.
    2. If the marketable securities are restricted by applicable securities laws, the Governing Body shall make the final determination on the acceptance of the restricted securities.
  - iii. Closely-Held Securities: Closely-held securities, including debt and equity positions in non-publicly traded companies, interests in LLPs and LLCs, or other ownership forms, can be accepted subject to the approval of the Governing Body of BGCGM. The Governing Body shall review and decide whether to accept closely held securities based on the following factors:
    1. Restrictions on the security that would prevent BGCGM from ultimately converting the securities to cash;
    2. The marketability of the securities; and
    3. Any undesirable consequences for BGCGM from accepting the securities.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 Governing Body of BGCGM with advice of legal counsel when deemed necessary. Non-marketable securities shall be sold as quickly as possible, unless otherwise directed by the BGCGM's Governing Body.
  - iv. Digital Assets: The organization shall not accept gifts of cryptocurrency (specifically bitcoin, ether, syscoin, and litecoin), nonfungible tokens, and other forms of digital assets unless due diligence is performed to determine that the asset is able to be transferred to BGCGM and liquidated and that risks associated with market volatility, adoption of any new technology platforms, and a clear understanding of the proper accounting treatment are considered. Prior to making the transfer, the Donor will acknowledge and confirm that the gifted cryptocurrency comes from the Donor's personal digital wallet and not from a third party.

The Governing Body shall review and decide whether to accept cryptocurrency based on the following factors:

1. Restrictions or terms and conditions on the digital assets that would prevent BGCGM from converting it to cash;
2. The ability of BGCGM (or a third party provider) to immediately liquidate the digital asset;
3. The ability of BGCGM to comply with the IRS in acknowledging the donation, which is viewed as property; and
4. Any undesirable consequences for BGCGM from accepting the gift, including gifts from anonymous donors.

- v. Bequests: Donors may make bequests to BGCGM under their wills and trusts. BGCGM will not accept appointment of executor or personal representative. A bequest will not be recorded as a gift until the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the gift will be recorded in accordance with GAAP.
- vi. Charitable Remainder Trusts: BGCGM may accept designations as remainder beneficiary of a charitable remainder trust. BGCGM shall not accept appointment as trustee of a charitable remainder trust.
- vii. Charitable Lead Trusts: BGCGM may accept designations as income beneficiary of a charitable lead trust. BGCGM shall not accept an appointment as trustee of a charitable lead trust.
- viii. Retirement Plan Beneficiary Designations: BGCGM may accept designations as beneficiary of donors' retirement plans. Designations will not be recorded as gifts until the gift is irrevocable. When the gift is irrevocable, the gift will be recorded in accordance with GAAP.
- ix. Life Insurance: The Organization may accept designations as beneficiary and owner of an unencumbered life insurance policy. The life insurance policy will be recorded as a gift once BGCGM is named as both beneficiary and irrevocable owner of a life insurance policy. The gift shall be valued in accordance with GAAP. If the donor contributes future premium payments, BGCGM 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, BGCGM may:
  1. Continue to pay the premiums;
  2. Convert the policy to paid up insurance, or
  3. Surrender the policy for its current cash value.

Donors may name BGCGM as beneficiary or contingent beneficiary of their life insurance policies. Designations will not be recorded as gifts until the gift is irrevocable. Where the gift is irrevocable, the gift shall be recorded in accordance with GAAP.

- xi. Real Estate: Gifts of real estate may include developed property, undeveloped property, or gifts subject to a life interest.

*Environmental Review.* Prior to acceptance of real estate, BGCGM shall require an initial environmental review of the property to ensure that the property has no environmental problem. If the initial inspection reveals a potential problem, BGCGM shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall be an expense of the donor.

*Title.* Prior to acceptance of real estate, BGCGM shall confirm that the donor has legal capacity and is entitled to convey the property through copies of deed, title report, etc., provided by donor.

*Title Binder.* A title binder shall be obtained by BGCGM prior to the acceptance of the real property gift when appropriate. The cost of this title binder shall be an expense of the donor.

*Factors for Acceptance.* The Governing Body and legal counsel shall review and decide whether to accept real property based on the following factors:

1. Whether the property is useful for the purposes of BGCGM;
2. The marketability of the property;
3. Any encumbrances, leases, restrictions, reservations, easements, or other limitations associated with the property;
4. Any carrying costs associated with the property, including insurance, property taxes, mortgages, notes or other costs;
5. Any concerns which the environmental audit revealed.

- xii. Remainder Interests in Property: BGCGM will accept a remainder interest in a personal

residence, farm, or vacation property subject to the provisions of this Paragraph 4. 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 tenant(s), BGCGM may use the property or reduce it to cash. Expenses for maintenance, real estate taxes, and any property indebtedness shall be paid by the donor or primary beneficiary.

- xiii. Oil, Gas, and Mineral Interests: The Organization may accept oil and gas property interests when appropriate. The Governing Body and legal counsel shall review and decide whether to accept oil, gas, and mineral interests subject to the following limitations:
  - 1. Gifts of surface rights should have a value of \$50,000 or greater.
  - 2. Gifts of oil, gas and mineral interests should generate at least \$50,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
  - 3. The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
  - 4. A working interest should only be accepted after consideration of potential liability and tax consequences.
  - 5. The property should undergo an environmental review to ensure that the Organization has no current or potential exposure to environmental liability.
  - 6. The ability of the Organization to assign or sell the interest to a third party after acceptance shall be considered by the Governing Body.
- xiv. Restricted Gifts: A gift with donor-imposed restrictions will be accepted only if and when such restrictions are approved by the Governing Body.
- xv. Named Funds: A donor, or group of donors, may contribute and name a fund and restrict the use of the income or principal of the fund. Named funds require a minimum contribution of \$50,000 and are subject to Governing Body approval like any other restricted gift.
- xvi. 15% administrative cost will be charged on all restricted donations.

## 5. Additional Provisions

- a. Gift Agreements. Where appropriate BGCGM shall enter into a written gift agreement with the donor, specifying the terms of any donor-restricted gift, which may include provisions regarding donor recognition and use of earnings derived from the gift.
- b. Pledge Agreements. Acceptance by BGGM of pledges by donors of future support of BGCGM (including by way of matching gift commitments) shall be contingent upon the execution and fulfillment of a written charitable pledge agreement specifying the terms of the pledge, which may include provisions regarding donor recognition.
- c. Fees. BGCGM will not accept a gift unless the donor is responsible for (1) the fees of independent legal counsel retained by donor for completing the gift; (2) appraisal fees; (3) environmental audits and title binders (in the case of real property); and (4) all other third-party fees associated with the transfer of the gift to BGCGM.
- d. Valuation of Gifts. BGCGM shall record gifts received at their valuation on the date of gift, except that, when a gift is irrevocable, but is not due until a future date, the gift may be recorded at the time the gift becomes irrevocable in accordance with GAAP.
- e. IRS Filings upon Sale of Gifts. To the extent required, the Governing Body shall file IRS Form 8282 upon the sale or disposition of any charitable deduction property sold within three (3) years of receipt by BGCGM. "Charitable deduction property" means any donated property (other than money and publicly traded securities) if the value claimed by the donor exceeds \$5,000 per item or group of similar items donated by the donor to one or more donor organizations (e.g., the property listed in Section B on Form 8283). BGCGM shall file this form within 125 days of the date of sale or

- disposition of the asset.
- f. Written Acknowledgement. The Governing Body of BGCGM shall provide written acknowledgement of all gifts made to BGCGM and comply with the current IRS requirements in acknowledgement of the gifts.
  - g. Changes to or Deviations from the Policy. This Policy has been reviewed and accepted by the BGCGM's Governing Body, which has the sole power to change this Policy on June 17, 2026.
  - h. BGCGM has a written Gift In-Kind policy that is linked here: [2025 Gift In Kind Policy.docx](#)

Donors and prospective donors should know policies are created to adhere to *The Donor Bill of Rights*\*. Donor information that should be private and confidential will not be made public.

### **The Donor Bill of Rights**

In accordance with the standards established by the Association of Fundraising Professionals, BGCGM adheres to the following Donor Bill of Rights, which notes that a donor has the right:

- To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.
- To have access to the organization's most recent financial statements.
- To be assured their gifts will be used for the purposes for which they were given.
- To receive appropriate acknowledgement and recognition.
- To be assured that information about their donations is handled with respect and confidentiality to the extent provided by the law.
- To expect that all relationships with individuals representing organizations of interest of the donor will be professional in nature.
- To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- To have the opportunity for their names to be deleted from the organization's mailing list.
- To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

*\*The Donor Bill of Rights was created by the Association of Fundraising Professionals*