Gift Acceptance Policy

1. BENEFICIAL IMPACT

a. The Board of Directors of the Baton Rouge Area Foundation ("BRAF" or "Foundation") encourages and accepts gifts that are consistent with BRAF's mission to enhance the quality of life in south Louisiana and unite human and financial resources to drive positive change and foster community growth and are consistent with its core values of BRAF, while also meeting the needs and intentions of donors (Gift Acceptance Policy). This Gift Acceptance Policy together with implementation procedures developed by BRAF's staff and approved by the Gift Acceptance Committee provides guidance as to the considerations in determining whether to accept a specific gift.

b. It is the policy of BRAF to accept gifts that further its mission and provide a net positive benefit to BRAF, considering the gift's value, intended use, and any associated encumbrances, complexities, or donor restrictions.

c. BRAF will not accept gifts that:

- Do not provide a net positive benefit to BRAF
- Are for purposes outside BRAF's mission
- Are for purposes other than qualified charitable, educational, scientific, literary, or religious purposes as defined by Internal Revenue Code section 501(c)(3) and its related regulations
- Would compromise BRAF's tax-exempt status
- Would result in unacceptable consequences for BRAF

d. Factors to be considered in evaluating the consequences of a gift include:

- Consistency with this Gift Acceptance Policy
- Compatibility between donor intent and the use of the gift
- Risk to BRAF's assets
- Effect on the reputation of BRAF, and upon future giving
- Administrative difficulty or expense in relation to value
- Alignment with prior practice

2. LEGAL AND ETHICAL CONSIDERATIONS

a. BRAF is committed to treating donors in a professional, ethical, and fair manner, and endeavors to provide materials that educate and inform prospective donors and their advisors about ways to give. Where advisors or counsel employed or retained by BRAF prepare documents or render advice regarding a donation, they are acting on behalf of BRAF, not the donor. The donor remains responsible for obtaining advice from his own legal and financial counsel for the protection of his interests, including tax and estate planning implications, and BRAF strongly encourages donors to do so.

b. BRAF does not pay fees or commissions to any person as consideration for directing a gift to BRAF, does not compensate any fundraiser based directly on a percentage of funds raised or on a contingent basis, and does not endorse any professional or fiduciary service. BRAF does not serve as the executor, administrator, or trustee of planned gifts or as an annuity issuer.

c. Exceptions to this Gift Acceptance Policy must be approved by the Executive Committee.

3. GIFT ACCEPTANCE COMMITTEE

a. The members of the Gift Acceptance Committee are:

- A member of the Governance Committee appointed by the Chair of the Foundation on an ad hoc basis
- Finance Committee Chair
- Investment Committee Chair
- and such other persons with professional expertise appointed by the Chair of the Foundation on an ad hoc basis

b. The following staff members shall vet each proposed gift before it is brought to the Gift Acceptance Committee:

- President & CEO
- Chief Operating Officer
- Chief Financial Officer
- General Counsel
- Vice President of Philanthropic Advancement

c. The Gift Acceptance Committee may review and approve acceptance of proposed gifts through in-person meetings or electronic means. Approval may be granted by a minimum of two (2) votes. Approval may be granted subject to any conditions deemed appropriate by the Committee.

d. The Foundation reserves the right to exempt gifts from full Committee review if, in the judgment of the President and in consultation with the Chairs of the Investment and Finance Committees, the decision to accept the gift warrants immediate action and the full Gift Acceptance Committee cannot be convened. The President and available members of the Gift Acceptance Committee must first determine that the gift may be accepted without significant reservations and the gift does not in any way jeopardize the tax-exempt status of the Foundation.

4. GIFTS REQUIRING GIFT ACCEPTANCE COMMITTEE APPROVAL

a. Acceptance of the following non-exclusive types of gifts, planned or immediate, requires prior approval by the Gift Acceptance Committee:

- Real estate (Community Foundation Realty Inc. approval may also be required)
- Mineral interests
- Closely held and non-publicly traded securities
- Tangible property (e.g., works of art, jewelry, watercraft)
- Intangible property (e.g., patents, copyrights, trademarks, trade secrets, debt instruments)

- Partial ownership interests (e.g., ownership percentage or subject to retained rights)
- Requiring financing or purchase by BRAF (e.g., bargain sale)
- Requiring BRAF to retain ownership of the property for a specified time period
- Subject to unusual restrictions impacting value, use or ease of administration
- Others as required by staff-developed implementation procedures approved by the Gift Acceptance Committee
- Other specific proposed gifts as deemed appropriate by any member of the Gift Acceptance Committee

5. MONETIZATION; APPROVAL OF RETENTION OR CONTEMPORANEOUS SALE

a. It is the intention of BRAF to monetize contributed nonfinancial assets within a reasonable time after receipt, allowing for timing and sale procedures that enhance the value received.

b. Any donor-imposed condition that the ownership of the gift be retained by BRAF for a specified time period must be approved by the Gift Acceptance Committee.

c. At the time of acceptance of certain gifts, a third-party may stand ready to immediately purchase the donated property from BRAF. Under such circumstances, as part of its review of the proposed donation, the Gift Acceptance Committee is authorized to approve the sale of the donated property if deemed to be in the best interests of BRAF.

6. GIFTS REQUIRING BRAF GOVERNANCE COMMITTEE APPROVAL

a. There may be extraordinary circumstances, type of assets, or conditions related to formal acceptance of charitable gifts as determined by the President and the staff members identified in section 3(b) of the Foundation. In such cases, these matters shall be referred to the General Counsel and the Governance Committee of the Foundation for consideration and formal acceptance thereof or denial.

b. The Gift Acceptance Committee requires BRAF Governance Committee determination of acceptable purpose prior to BRAF accepting any donation of:

- immovable property intended to be retained by BRAF (rather than liquidated within a reasonable time)
- other types of assets or conditions related to formal acceptance of a charitable gift that present an extraordinary circumstance

c. No donation requiring a determination of acceptable purpose shall be publicized or otherwise disclosed by BRAF prior to BRAF acceptance of such conditions or obligations.

d. Acceptance of a donation with a condition or obligation, the fulfillment of which would require BRAF to undertake actions not previously taken or approved (e.g., a new Center), must be evidenced in writing upon acceptance of such condition or obligation by BRAF.

7. GIFT ACCEPTANCE POLICY REVIEW

a. This Gift Acceptance Policy has been reviewed and approved by the BRAF Board of Directors.

b. The Gift Acceptance, Finance, and Investment Committees shall periodically review this Gift Acceptance Policy and recommend revisions to the Governance Committee, and procedural revisions to BRAF staff, all as such may be beneficial to the gift acceptance determination process.

c. Upon due and diligent review of suggested revisions, the Governance Committee shall recommend Gift Acceptance Policy revisions to the Board of Directors for action.