

## MARYLAND ENVIRONMENTAL TRUST

### GIFT POLICY<sup>1</sup>

#### INTRODUCTION

Maryland Environmental Trust encourages gifts<sup>2</sup> to the organization for the benefit of the program, mission and work of MET. MET welcomes gifts of cash, other personal property, real property, intervivos or testamentary gifts, or any other thing of value. This Gift Policy covers any type of gift which may be offered to MET other than a donation of a conservation easement.

MET reserves the right to decline gifts that are not appropriate for its mission or are difficult or expensive to administer. MET may also decline noncash gifts that would benefit from an endowment but do not come with one. MET must affirmatively accept a gift and need not accept gifts, including gifts granted or deeded to it without its knowledge.

When substantial gifts are involved, a potential donor may wish to seek the assistance of legal and financial advisors in matters relating to the potential gift, including advice on deductibility of the gift and tax and estate planning.

#### CRITERIA

**Cash Gifts:** MET is pleased to receive cash gifts of any amount, whether one time contributions or pledges of periodic payments. MET is grateful for unrestricted cash gifts as they offer the organization flexibility to meet its current and future needs. Should a potential donor wish to restrict a cash gift to a particular program or account of MET or to create an interest-only or limited access endowment, the donor may add to an existing MET endowment by so designating or MET is glad to work with the donor to achieve the donor's wishes; anyone wishing to make a restricted cash gift should contact the Director.

**Gifts of Personal Property Other than Cash, and Gifts of Real Property:** Anyone wishing to make a noncash gift to MET should contact the Director. When appropriate, MET staff may need to gather background information such as ownership of/title to the potential gift, and when necessary will consult with counsel in the Office of the Attorney General.

- Personal property other than cash: MET will consider the condition of the item (new, nearly new, etc.), whether MET can make immediate use of the item, and resale potential.

- Real property: MET is grateful for gifts of real property; however, experience indicates that it must be selective in accepting such gifts because of potential associated costs. In evaluating such potential gifts, MET may consult with appraisers, environmental analysts, real estate agents and others. MET will investigate financial and other considerations associated with the property's:

- condition and current value (whether the property is in "as is" condition, possible environmental contamination, liens, encroachments, whether the property has limited access or is landlocked)

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<sup>1</sup> This policy, adopted by the Board of Trustees on March 4, 2013, supersedes all prior MET policies on gifts.

<sup>2</sup> MET is charitable in nature. Md. Ann. Code N.R. 3-201. MET has the authority to accept gifts. N.R. 3-203.

- acceptance (cost of survey, appraisal and title insurance)
- carrying costs (mortgage payments, payments on notes, insurance, transportation, storage/lease costs, maintenance expenses, resale expenses, property tax)
- maintenance (annual fees, utilities, duty to monitor, defense from trespassing, insurance, alarm systems)
- conservation attributes
- resale potential

## PROCESS

For gifts other than unrestricted cash, when a donor so specifies MET will ascertain the potential donor's intent regarding MET's use of the proposed gift. After completion of staff research, the Director will make a report regarding the proposed gift to the Finance Committee.

The Finance Committee will analyze and discuss the potential gift, including the intention of the donor, any proposed restrictions on the use of the gift and whether MET can adhere to such restrictions. If the gift is other than an unrestricted cash gift, the Finance Committee will make a recommendation to the Board of Trustees that the gift be accepted, accepted with conditions, or declined.

The Board will consider the Finance Committee's recommendation regarding a proposed gift and shall decide in accordance with MET's Bylaws and policies whether to accept the gift, accept it with conditions, or decline it.

The Secretary will document in the Board's minutes and maintain records of decisions regarding potential gifts, including names of the persons who were present for the discussion and decision; any action taken to investigate the potential grantor's intent; the content of the discussion, including any alternatives to the proposed transaction or arrangement; the Board's decision as to whether to accept, accept with conditions, or decline; and a record of any votes taken.

## GENERAL

This policy is intended to supplement and not replace any applicable State and federal laws governing receipt of gifts. In the event of any conflict between this policy and any applicable State or federal law, such State or federal law shall control. Pursuant to the Maryland Public Information Act, MET will provide a copy of this policy to any person requesting it.

From time to time, the Finance Committee shall conduct periodic reviews to assure that MET operates in a manner consistent with this policy, and upon recommendation of the Finance Committee, the Board may approve amendments to this policy when needed.

MET will provide each Trustee, Area Representative and employee with a copy of this policy at the time he/she joins the organization and will discuss this policy at all orientation sessions.