

GIFT ACCEPTANCE POLICY

JOHN MILTON MANOR CORPORATION

John Milton Manor Corporation, a not-for-profit organization organized under the laws of the State of California and exempt as a public charity under Section 501(c)(3) of the Internal Revenue Code, encourages the solicitation and acceptance of gifts for purposes that will assist John Milton Manor Corporation to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to John Milton Manor Corporation or for the benefit of any of its programs.

I. Purpose of Policies and Guidelines

The Board of Directors of John Milton Manor Corporation and its Executive Director and staff solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of John Milton Manor Corporation. It is the purpose of these Policies and Guidelines to govern the acceptance of gifts (including grants) by John Milton Manor Corporation and to provide guidance to prospective donors and their advisors when making gifts to John Milton Manor Corporation. The provisions of these Policies shall apply to all gifts received by John Milton Manor Corporation for any of its programs or services.

II. Restrictions on Gifts

John Milton Manor Corporation will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. John Milton Manor Corporation will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the charitable trust of John Milton Manor Corporation, gifts that are accompanied by an improper economic benefit to the donor such as a gift that is conditioned on a commercial preference to the donor or affiliated company, or gifts that vest the donor with inappropriate control such as a gift that requires John Milton Manor Corporation to hire a specific person or take some other unacceptable action. All final

decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

III. Gift Vehicles

John Milton Manor Corporation will accept gifts through the following gift vehicles:

- Outright donations
- Testamentary bequests
- Charitable remainder trusts
- Charitable lead trusts

John Milton Manor Corporation does not offer the following gift vehicles:

- Charitable gift annuities
- Pooled income funds

IV. Assets

John Milton Manor Corporation is authorized to accept the following assets, subject to these Policies and Guidelines.

Cash or Cash Equivalents	Acceptable.
Charitable Pledge Agreements	Acceptable if payable only in assets listed herein.
Publicly Traded Securities	Acceptable. John Milton Manor Corporation shall promptly sell any contributed securities in accordance with John Milton Manor Corporation's investment policies.
Closely-Held Securities and Other Intangibles	Acceptable. John Milton Manor Corporation shall not accept securities and other intangible assets which may not be sold, have no value, or may result in additional liability to John Milton Manor Corporation.
Tangible Personal Property	Acceptable, subject to review by the Board of Directors. John Milton Manor Corporation shall not offer to value the

	<p>contributed property. The donor shall sign a statement of ownership and disclose any liens on the property. John Milton Manor Corporation will not accept any property subject to a restriction on John Milton Manor Corporation's ability to use, sell, or otherwise deal with the property as it deems necessary.</p>
Life Insurance	<p>Acceptable. John Milton Manor Corporation may accept the gift of a life insurance policy if John Milton Manor Corporation is the owner and the irrevocable beneficiary of the policy. If the policy is not fully paid-up, the donor shall be encouraged to make annual gifts to John Milton Manor Corporation sufficient to cover additional premiums. John Milton Manor Corporation shall have the right to retain the life insurance policy, cash it in, or otherwise make use of its value.</p>
Real Estate	<p>Acceptable subject to review by the Board of Directors. John Milton Manor Corporation will not accept any real estate subject to a restriction on John Milton Manor Corporation's ability to use, sell, or otherwise deal with the property as it deems necessary. Costs related to acceptance of gifts of real property such as legal fees, surveying costs, hazardous waste surveys, et al, will be allocated as mutually agreed and will not affect the recorded value of the gift. Appraisal costs are the responsibility of the donor.</p>
In-Kind Gifts	<p>Acceptable if approved by the Executive Director. In-kind contributions include gifts of supplies, equipment, services,</p>

	<p>and the like which are beneficial to John Milton Manor Corporation. Costs incurred because of accepting the gift, such as transportation and storage, must be approved by the Executive Director. The Executive Director shall report all in-kind gifts to the Board.</p>
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John Milton Manor Corporation shall accept all bequests of real estate unless the Board of Directors determines otherwise. John Milton Manor Corporation shall review all proposed *inter vivos* gifts of real estate and shall consider such factors as sale and holding costs, current and expected future value, encumbrances, liabilities, title, restrictions, and any potential environmental issues prior to acceptance.

Prior to accepting an *inter vivos* gift of real estate, the following steps will be taken:

- Complete a profile of the property.
- Obtain a copy of the deed, any encumbrances, leases, and current property tax bill.
- Consider obtaining a title report.
- Inspect the property.
- Consult with a real estate advisor as to marketability.
- Evaluate the potential for any environmental liabilities. Consult with an environmental engineer or comparable advisor if necessary.

V. Miscellaneous Provisions

A. **Executive Director.** Except as provided in Article II above, the Executive Director shall have discretion and authority to accept unrestricted gifts, allowable under these Policies and Guidelines, of a value up to \$100,000. As to restricted gifts, the Executive Director shall have discretion and authority to accept restricted gifts of a value up to \$50,000. Gifts above those amounts may be accepted only by the Board of Directors.

B. **Legal counsel.** The Executive Director may seek the advice of legal counsel where appropriate and shall seek the advice of legal

counsel in all matters pertaining to the acceptance of a gift which may have adverse legal, ethical, or policy consequences to John Milton Manor Corporation. All prospective donors shall be urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning implications.

- C. **Securing appraisals and legal fees for gifts to John Milton Manor Corporation.** John Milton Manor Corporation shall not appraise property. It shall be the responsibility of the donor to secure an appraisal where required. John Milton Manor Corporation shall not pay the legal fees of the donor. The donor shall pay any fees for appraisals and legal advice required.
- D. **Valuation of gifts for development purposes.** John Milton Manor Corporation shall record a gift received by John Milton Manor Corporation at its valuation for gift purposes on the date of gift, following accepted accounting principles (GAAP).
- E. **Responsibility for IRS filings upon sale of gift items.** John Milton Manor Corporation is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold by John Milton Manor Corporation within two years of receipt of said asset where the charitable deduction value of the item was \$5,000 or greater. John Milton Manor Corporation must file such form within 125 days of the date of sale or disposition of the gifted asset.
- F. **Written acknowledgment.** Written acknowledgment of all gifts made to John Milton Manor Corporation and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of John Milton Manor Corporation.