**Gift Acceptance Policies and Guidelines**



**Adopted:**

**2019**

**The Hurricane Island Outward Bound School**

**GIFT ACCEPTANCE POLICY**

STATEMENT OF PURPOSE

The Hurricane Island Outward Bound School (HIOBS) encourages the solicitation and acceptance of gifts to the school that will help it to fulfill its mission. The Board of Directors of HIOBS (the “Board”) has adopted the following policies and guidelines to govern acceptance of gifts to HIOBS for the benefit of any of its programs. These policies and guidelines are intended to provide guidance to prospective donors and their advisors and to assist HIOBS in complying with applicable IRS regulations.

Mission and Scope of HIOBS

HIOBS changes lives through challenge and discovery. The Hurricane Island Outward Bound School was chartered in 1964. We offer public (Open Enrollment) courses for teens, adults, veterans and educators. Our wilderness courses explore backcountry settings on the Maine coast, the Rangeley and Moosehead Lakes regions, and in the mountains of Maine and New Hampshire, with additional programming in the Florida Keys, the Bahamas, Central America and South America.

We customize programs for colleges, public and private schools, non-profit organizations, businesses and corporations, community leaders, and organizations serving youth in a range of environments across the US and beyond, from the backcountry, to conference centers, to the boardrooms of our clients.

Standards and Compliance

HIOBS is a recognized 501(c)(3) organization, tax identification number 04-6089174, and operates in compliance with all standards set forth by the U.S. IRS. HIOBS also complies with the Model Standards of Practice for the Charitable Gift Planner promulgated by the National Committee on Planned Giving and the Donor Bill of Rights promulgated by the Association of Fundraising Professionals.

Authority

HIOBS is governed by a Board of Directors who are charged with maximizing the School's ability to advance its mission. The Board is responsible for ensuring responsible and effective use of HIOBS assets and must approve any changes to the Gift Acceptance Policy. Some potential gifts, as outlined below, may require review and acceptance by the Board. Donations generally will be accepted from individuals, partnerships, corporations, organizations, government agencies, or other entities without limitations—unless the acceptance of gifts from a specific source is inconsistent with the integrity of our beliefs, values, and mission or goes against the ethos of our HIOBS community, comprised of our students, staff, donors, board, and families. If our association with a funder or the promotion of a donation from a funder seems out of sync with these values, we may reconsider the partnership. If a partnership or potential donation raises concerns, the HIOBS Executive Director will seek the input of its staff and board to check its consistency with the integrity of our mission and values. Questionable gifts will then be brought to the attention of the full board by the Executive Director for guidance on a case-by-case basis.

HIOBS will not accept gifts from companies whose products may be harmful to our clients, from donors whose requests for public recognition are incompatible with our philosophy of appreciation, or from donors whose restrictions are too challenging to reasonably carry out. HIOBS may elect to refuse gifts of cash, securities, real estate or other items of value if it believes that such gifts are incompatible with its mission, conflicts with its core values, or would create a financial, administrative or programmatic burden.

The HIOBS Executive Director, or other staff as appointed by the Executive Director, may negotiate and accept gifts that do not require review by the Board and comply with the guidelines established in the Gift Acceptance Policy.

GIFT ACCEPTANCE PROCESS

HIOBS Executive Director and Director of Development are designated to accept gifts to existing HIOBS funds or to establish a new fund using standard fund agreement language. For more complex gift arrangements, HIOBS may require approval by either the Development Committee or the HIOBS Board as identified below. In any case where acceptance by Development Committee is required and the Committee is in doubt as to whether the gift should be accepted, the matter will be referred to the full Board of Directors for consideration.

**HIOBS welcomes the following types of gifts:**

1. Cash (cash, credit card, check)
2. Publicly traded securities
3. Closely held securities
4. Personal property
5. Real estate
6. Real estate with a retained life estate
7. Bequests
8. Retirement plan beneficiary designations
9. Life Insurance policies /or beneficiary designations
10. Gifts that provide income for life
	1. Charitable gift annuities
	2. Charitable remainder trusts
	3. Charitable lead trusts
	4. Other

ACCEPTANCE DATE OF GIFTS

In general, the acceptance date for cash, checks, real estate, and personal property is the date HIOBS receives possession. The postmark date is used as the date of possession for gifts to charitable gift annuities and charitable remainder trusts. We also use the postmark date for calendar year-end gifts that are postmarked with the date of December 31st or before. The acceptance date for stock gifts and mutual funds is the date that the shares are received in our broker account. The acceptance date for a wired gift is the date it is received in our account at Camden National Bank. For a credit card gift, the acceptance date is the date it is processed, which is generally the date it is received. Gifts of property cannot be considered complete until they include all legal documentation necessary to transfer title to HIOBS.

GIFT VALUATION

For the purpose of recording in the books of record, gifts are valued as of the date they are delivered to and accepted by HIOBS. It is the policy of HIOBS to comply fully with the valuation rules set out in IRS Publication 561 and the relevant income, gift and estate tax laws and regulations. Copies of Publication 561 are available at [www.irs.gov.](http://www.irs.gov/)

The value of publicly traded securities will be calculated by the mean average of the high and low trading prices on the date the securities are received by HIOBS or its broker account.

GENERAL GUIDELINES FOR GIFT TYPES

1. CASH

HIOBS accepts gifts of cash in any amount to any existing fund. Gifts of cash to establish a new fund must meet HIOBS ’s minimum fund amounts. (See pages 8-9 under restricted funds). Cash gifts may be made through United States currency, checks made payable to HIOBS, credit cards or wire transfer to HIOBS’s account.

1. PUBLICLY TRADED SECURITIES

Before initiating a gift of securities, donors are asked to notify the HIOBS Development Office to provide gift detail. The Development Office in turn will give the donor necessary information required to make a transfer.

HIOBS welcomes any unrestricted stocks or American Depository Receipts traded on the New York or American Stock Exchange or through the NASDAQ system or any other recognized domestic stock exchange and corporate and government bonds and for which there is an established market (“marketable securities”).

Securities wired to an investment account maintained by HIOBS will be treated as having been delivered when HIOBS or its investment agent has received all the documentation necessary to complete the transfer of ownership without any further involvement on the part of the donor. Marketable securities are typically sold by HIOBS promptly upon receipt so that their proceeds may be invested in a manner consistent with HIOBS ’s overall investment policies.

Securities traded exclusively in markets outside the United States can be accepted upon the approval of the Committee.

1. CLOSELY HELD / RESTRICTED SECURITIES.

Corporate stock for which there is no established market that is readily accessible to HIOBS, including the stock of “Subchapter S Corporations,” stock which is subject to trading restrictions, partnership interests in general or limited partnerships or in limited liability partnerships and memberships in limited liability companies that are not traded on an established domestic securities exchange (“closely held securities”) can be accepted by HIOBS upon the approval of the Development Committee.

1. GIFTS OF PERSONAL PROPERTY

Tangible Personal Property is any tangible property that is not real estate, cash or securities and has an intrinsic utility. HIOBS welcomes gifts of tangible property that can be used in the performance of its work, preferably for immediate usage and donated in good to excellent condition. Examples include vehicles, vessels, marine equipment, office equipment and furniture. Tangible gifts with deferred operational usage or believed to be of value in excess of $50,000 may require Development Committee approval prior to acceptance.

In the absence of a gift agreement between the donor and HIOBS stating that contributed personal property will be retained by HIOBS, it is to be expected that HIOBS will sell any such property as promptly as market conditions permit. HIOBS cannot accept gifts of personal property that are subject to restrictions related to the timing of their sale or for which there is no market to which HIOBS has relatively convenient access.

Intangible Personal Property that is any other property of any description – including mortgages, notes, copyrights, royalties, easements, whether real or personal, will require review by the Development Committee for acceptance on behalf of HIOBS.

1. GIFTS OF REAL ESTATE

HIOBS welcomes entire or portion gifts of real estate upon the Development Committee’s approval.

Unencumbered real property will be accepted at fair market value as established by a detailed appraisal by an independent professional appraiser selected by both the donor and HIOBS, and provided by the donor within the IRS specified time period (currently that time period is no sooner than 60 days prior to the gift and no later than the date the donor’s income tax return is required to be filed, on which the deduction is claimed). Evidence of clear title to the property must be provided by the donor. HIOBS ’s general policy is to sell real estate as soon as possible. See page 6, IRS Publication 561.

In general, HIOBS does not accept real estate encumbered by mortgages or other liens. However, encumbered real property may be accepted if the donor remains responsible for the encumbrance. Prior to acceptance of a gift of real property, HIOBS and the donor must agree, in writing, on arrangements for paying expenses associated with the property, including taxes and assessments, insurance coverage, and maintenance costs.

In order to avoid potential liability for environmental cleanup and toxic and hazardous materials issues related to real estate, HIOBS may require an inspection through an environmental audit, prior to accepting the gift.

In addition to the considerations listed above, commercial properties and businesses will be examined in relationship to the potential for exposure of HIOBS to unrelated business taxable income.

1. BARGAIN SALES

HIOBS welcomes gifts of Bargain Sales with the approval of the Development Committee. Donors may sell property to HIOBS for less than its fair market value and take a tax deduction for the difference. In general, HIOBS prefers that the purchase price always be less than 50% of total fair market value. The gift portion should be valued at a minimum of $50,000, net of expenses.

1. GIFTS OF REAL ESTATE WITH A RETAINED LIFE ESTATE

A charitable deduction from income taxes is available to donors who make a gift of real estate with a retained life estate in a personal residence or farm, including a vacation home. The charitable deduction is available when the property is transferred to HIOBS, subject to the donor’s life estate. HIOBS ’s guidelines for outright gifts of real estate apply in this situation, plus the following policies:

* Gifts of real estate with a retained life estate should have a value of at least $100,000.
* HIOBS expects the donor to continue to maintain the property, pay the real estate taxes, any fees such as association fees or assessments, insurance, utilities, and repairs.
* Capital improvements will be at the donor's expense.
* Donors must sign a Memorandum of Understanding at the time of the gift which describes the respective responsibilities of HIOBS and the donor in detail.
1. BEQUESTS

Bequests may be from a will or trust and may be specific or contingent in nature. If the bequest is to create a new endowment fund or be added to an existing endowment fund, or to be used for a specific purpose, the name of the fund/purpose should be included. For new funds, HIOBS prefers to have donors complete a separate fund agreement during their lifetime which defines the purpose for which the fund will be used.

Suggested bequest language:

UNRESTRICTED BEQUEST

“I give ( \_\_\_dollars) (or a specific asset) or ( \_\_\_ percent of the rest, residue and remainder of my estate) to the Hurricane Island Outward Bound School, the charitable, tax exempt organization located in Camden, Maine, for its general purposes.”

RESTRICTED BEQUEST

“I give (\_\_\_dollars) (or a specific asset) or ( \_\_\_percent of the rest, residue and remainder of my estate) to the Hurricane Island Outward Bound School, the charitable, tax exempt organization located in Camden, Maine, to be used for the following purpose(s): (state purpose).

ENDOWMENT BEQUEST, INCOME UNRESTRICTED

“I give ( dollars) (or a specific asset) or ( \_percent of the rest, residue and remainder of my estate) to the Hurricane Island Outward Bound School, the charitable, tax exempt organization located in Camden, Maine, as a gift to the Endowment, with income unrestricted”

ENDOWMENT BEQUEST, INCOME RESTRICTED

“I give ( \_\_\_\_dollars) (or a specific asset) or (\_\_\_\_ percent of the rest, residue and remainder of my estate) to the Hurricane Island Outward Bound School the charitable, tax exempt organization located in Camden, Maine, as a gift to the Endowment, with income to be used for the (state the purpose) purpose.

1. RETIREMENT PLAN BENEFICIARY DESIGNATIONS

Account type retirement plans, in which a balance accumulates as principal, may be donated to HIOBS. These include Individual Retirement Accounts (IRA), 401(k), 403(b), and defined contribution plans. (Annuity plans, such as defined benefit plans, in which retirement benefits are paid out as income and principal does not accumulate, generally cannot be used for charitable gifts.) The gift value will be recorded at its present value on the date it is received by HIOBS, even if not payable until a future date

Methods for giving retirement assets include:

* Creating a testamentary charitable remainder trust upon the death of the account owner, naming HIOBS as remainder beneficiary and non-charitable heirs as income beneficiaries.
1. GIFTS OF LIFE INSURANCE / BENEFICIARY DESIGNATION

Donors may name HIOBS the beneficiary of a life insurance policy, or if they wish to claim a tax deduction, transfer ownership of the policy to HIOBS. Gifts of fully paid whole life, ordinary life or endowment policies on which no future premium payments are due may be accepted by the Director of Development or Executive Director. If premiums on the policy remain to be paid, donors may make income tax deductible premium payments directly to the insurance company or make annual contributions to HIOBS in an amount that is not less than the premium due. If payments become delinquent, HIOBS will not make premium payments and will terminate the policy. The cash proceeds will be added to the fund specified by the donor, or to HIOBS ’s discretionary funds.

Gifts of life insurance policies naming multiple beneficiaries will be referred to the Development Committee for its consideration before acceptance. HIOBS will not accept gifts of cash or property from a donor if the use of the gift is restricted to the purchase of a life insurance policy on the donor or any other person.

1. LIFE INCOME GIFTS

CHARITABLE GIFT ANNUITIES - HIOBS and the donor enter into a contract providing a fixed dollar return for life to the donor and/or other beneficiaries, in exchange for a contribution to HIOBS. The amount of payment is dependent upon the age of the donor and the size of the gift. The date that income payments to the beneficiary begin may be deferred. Payout rates for annuities will be at or below the maximum payout rates recommended from time to time by the American Council on Gift Annuities.

CHARITABLE REMAINDER TRUSTS

(Charitable Remainder Annuity Trust OR Charitable Remainder Unitrust)

A Charitable Remainder Trust (CRT) is an arrangement in which an individual creates a special qualified charitable trust document, names a trustee, and transfers assets to that trustee to be invested and administered according to the terms of the trust. The trustee pays income to one or more beneficiaries for life or for a period of years. At the end of the trust term, all remaining assets are distributed to HIOBS. The Donor may designate the remainder distribution to specific program(s) and/or endowment fund(s). It is in the best interest of the Donor and HIOBS to discuss designation interest/terms before defining them in the trust document to insure both parties understand the donor’s intent and wishes.

HIOBS will not act as trustee to a trust to which HIOBS is designated as beneficiary. Representatives of HIOBS are, however, available to assist in tailoring the provisions of a Charitable Remainder Trusts to meet a donor’s particular situation.

HIOBS reserves the right to decline remainders under trust instruments created without its knowledge if the nature of the property or the conditions on its use are not consistent with the best interests and other activities of HIOBS. Decisions on whether to accept trust remainders that consist of property other than cash or marketable securities or which are subject to use restrictions are made by the Development Committee. Unrestricted remainders consisting of cash or marketable securities may be accepted by the Executive Director or Director of Development.

CHARITABLE LEAD TRUST - In the most common form of a Charitable Lead Trust, a donor creates a qualified trust document, names a trustee, and transfers assets to this trustee for a specified period of years or the life of an individual. During the term of the trust, the trustee makes annual payments to qualified charitable organizations equal to the annual payout specified in the trust document. At the end of the trust term, the remaining assets, including all unrealized appreciation, pass to the donor’s heirs free of any further transfer taxes. By carefully selecting the payout rate and the length of the trust’s term, the donor can greatly diminish or completely avoid the payment of any transfer taxes. The donor does not receive a charitable deduction for trust payments that are made to charity, but neither is the donor taxed on income earned by the trust. Charitable lead trusts offer philanthropic individuals a splendid method of combining their annual philanthropy with a tax-efficient means of transferring wealth to the next generation.

HIOBS will not serve as trustee of charitable lead trusts of which HIOBS is a beneficiary. As with remainder trusts, however, representatives of HIOBS are available to assist in the establishment of such trusts to assure that payments to HIOBS from any such trust can be used by HIOBS in accordance with the donor’s wishes and expectations.

HIOBS reserves the right to decline to accept distributions from charitable lead trusts in the drafting of which HIOBS has not been consulted if the distributions consist of property other than cash or marketable securities or if the uses to which the distributions are to be put are restricted under the terms of the trust instrument to purposes not consistent with the mission and programs of HIOBS.

1. OTHER

From time to time, the nature of donor assets or IRS regulations may provide opportunities for other forms of gifts not enumerated above, or the blending of more than one form of gift. Such possible gift arrangements will be reviewed the Development Committee prior to acceptance.

Scholarship and Restricted Funds

The Hurricane Island Outward Bound School scholarship program is guided by a single principle: every person should be given the opportunity to experience adventure and challenge, develop character and compassion, and learn social and environmental responsibility, regardless of financial ability.

The Hurricane Island Outward Bound School awards both full and partial scholarships for qualified individuals and partner organizations. Scholarship funds are awarded each year by Student Services to students based on financial need, student motivation, and the potential to excel on a wilderness course. The HIOBS Scholarship Committee matches students to available funds. Scholarship funds should be received and or pledged prior to an award of scholarship.

Scholarship students are held to the same standards as other students. HIOBS makes every effort to ensure that scholarship students are well prepared and supported for their expeditions. However, in the event that a scholarship student cancels or withdraws, HIOBS reserves the right to charge its standard tuition penalties to cover incurred costs associated with that course.

Awards are finalized throughout the year as students apply. Student Services administers the funds based on the fund descriptions as written. They are not aware of any discussions with donors, correspondence, or special understandings that are not included in the fund description. The development office will report on scholarships to donors in the fall, once most courses have finished.

Unless otherwise specified as endowment, temporary fund, or in a grant request, all scholarship gifts are to be spent serving full and partial scholarship students. All donor information that should be private and confidential will not be made public. Donors seeking to remain anonymous must inform HIOBS that they do not wish to be publicly recognized.

In the case that a donor wishes to make a restricted scholarship gift, either temporary or as a permanent endowment, HIOBS will work with that donor to ensure that their wishes can be met. Donors are encouraged to be as broad as possible when specifying criteria for scholarship funds so that students who fit these criteria may be easily identified, such as financial need, geographic area, or merit. These restrictions must be detailed in the donor’s gift or pledge commitment letter.

HIOBS does not discriminate on the basis of age, gender, race or color, national origin, religion, disabling condition, marital status, or sexual orientation.

The Internal Revenue Service will not recognize a contribution for charitable tax deduction if the donor retains control over the gift funds or how they are used. Therefore, a donor may not participate in the selection of scholarship or award recipients, name an individual to a scholarship committee, or structure the criteria so narrowly as to limit selection to a small population comprised solely or primarily of individuals related to the donor or that the donor would choose without this restriction.

HIOBS reserves the right to not accept gifts from a specific source that is inconsistent with our beliefs, values, and mission, from donors whose requests for public recognition are incompatible with our philosophy of appreciation, or from donors whose restrictions would create a significant financial, administrative or programmatic burden.

Restricted Funds at HIOBS

These guidelines provide information to consider when establishing a restricted fund. Many donors create restricted funds to establish scholarships or program support funds. These funds are typically named for donors, in honor or memory of a loved one, or to recognize a member of the organization. In considering the establishment of a restricted fund, potential donors should be aware that tax laws require that charitable gifts be irrevocable and unconditional for a donor to receive the associated tax benefits. A donor cannot continue to enjoy control over donated funds or property contributed; once a donor has made the contribution, the assets become the property of the Hurricane Island Outward Bound School and cannot be returned.

Definitions

1. A restricted fund enables donors to restrict the use of their fund. The organization works with donors to document mutually agreed upon guidelines which govern the use and spending of the fund.
2. A permanently restricted (permanent/endowment) fund, often called an endowment, exists in perpetuity. Gifts to the fund are invested for long-term growth with the understanding that the principal may not be expended, only the income earned.
3. A temporarily restricted (temporary) fund is intended to be short-term in nature. The monies in a temporary fund are not expected to exist in perpetuity and the fund may be expended in its entirety, per the fund guidelines.

Establishing a Restricted Fund

1. The minimum gift required to establish a permanently restricted (scholarship) fund at HIOBS is $100,000. The donor(s) may contribute this amount over a period of one to five years. Donors are asked to sign a pledge form documenting this commitment. The minimum gift threshold for a permanently restricted (scholarship) fund at HIOBS should cover the full tuition cost(s) for the course it is designated to support.
2. Guidelines for the use of the spendable income generated by the endowment will be agreed upon by the donor(s) and HIOBS in a mutually executed Fund Agreement, kept on file in the HIOBS Administrative office.
3. A fund that is building toward an endowment will be considered temporarily restricted until the minimum gift threshold has been met, at which time it will be converted to a permanent endowment fund.
4. Once the minimum gift threshold has been met, and the fund is endowed, funds will be invested for one full investment cycle. Earnings will be calculated at the end of the fiscal year immediately following the initial investment cycle and distributed both to make awards under terms of the Fund Agreement, and to increase the corpus of the endowment as allowed by economic conditions and existing board policies.
5. Donors will be contacted at the end of 60 months if the minimum gift threshold has not been met. If, upon consultation with the donor, he/she is unable to fully endow the fund, the fund will remain temporarily restricted and expended in accordance with the Fund Agreement on file.
6. No disbursements will be made from funds building toward endowment. Donors who wish to see their scholarship awarded immediately, for example, are encouraged to make an additional current use donation(s).

Establishing a Restricted Fund – Temporary

1. The minimum gift required to establish a temporary fund is $15,000. The donor(s) may contribute this amount over a period of one to five years. Donors are asked to sign a pledge form documenting this commitment.
2. Guidelines for the use of the temporary fund will be mutually agreed upon between the donor(s) and HIOBS in a mutually executed Fund Agreement, kept on file in the HIOBS Administrative office.

The scholarship and restricted fund section above outlines guidance for specifying criteria, scholarship recipient selection, and discrimination. The Internal Revenue Service will not recognize a contribution for charitable tax deduction if the donor retains control over the gift funds or how they are used. Therefore, a donor may not participate in the selection of scholarship or award recipients, name an individual to the scholarship committee, or structure the criteria so narrowly as to limit selection to a small population comprised solely or primarily of individuals related to the donor or that the donor would choose without this restriction.

PHILANTHROPIC GIFT NAMING POLICY

Overview

This policy establishes minimum gift levels and general approval guidelines for naming capital and endowment funds and physical spaces, including buildings, facilities, grounds, or portions thereof at the Hurricane Island Outward Bound School. The HIOBS Development Committee must approve gift-naming opportunities for all buildings, or spaces within buildings. This policy only governs naming to be established in recognition of philanthropic gifts, it does not include naming to be granted in recognition of service, leadership, or other non-philanthropic reasons.

This policy also articulates the process for determining minimum gift amounts for naming buildings, portions of buildings, and areas owned by HIOBS. Minimum gift thresholds are important to ensure that HIOBS has adequate funds available to achieve the purposes for which a donor makes a gift. All funds must be approved as specified in other appropriate HIOBS administrative policies, including an approved gift agreement between the donor(s) and HIOBS.

When a gift is received to name a new boat, building or renovate a current facility, the gift must support a significant portion of funds, as defined by the Development Committee, needed to successfully complete the project. The named gift thresholds will be established, guided by the budget for each HIOBS need. Gifts made to fund a new facility or renovate a current facility will be expended for that use. Gifts for existing buildings or spaces named in recognition of significant gifts may be expended for projects approved by the Board of Directors.

Fleet or facilities named in recognition of a gift generally require commitments to be paid in cash or other instruments that can be immediately converted to cash. Planned gifts will not usually be used to fund named gift opportunities except as outlined below.

Minimum gift levels

As noted above, gifts for fleet or physical plant needs must support a significant portion of the construction or renovation cost of the facility, boat, building, or space. The Development Committee will detail a schedule of gift naming recognition opportunities and associated minimum gift amounts that ensure a significant portion of the construction expenditures are recovered through philanthropic support. However, this schedule also must include a realistic assessment of prospect pool available for cultivation and solicitation in support of the project. Minimum gift levels will strike the appropriate balance between financial need and prospect capacity and readiness and, of necessity, must be revised periodically to reflect HIOBS’s financial needs, strength of the economy, and philanthropic capability of the prospect pool.

Likewise, minimum gift levels must account for these same external economic forces and measures of prospect capacity balanced against the operational needs of HIOBS and the distinctiveness of the area or position for which a gift is solicited.

Approval

Prospects should not be solicited for a named gift opportunity prior to receiving internal approval from HIOBS. A comprehensive strategy will be developed for all prospects that have the capacity and interest to make a commitment appropriate for recognition through a naming opportunity. HIOBS’s ED must approve the solicitation and gift recognition strategy for all named gift prospects prior to gift solicitation, except as delegated to others by the ED. The Development Committee must be kept apprised of all such solicitations and must grant final approval for all named spaces as noted above.

The Development Committee and HIOBS ED may also approve the establishment of named gift opportunities in lower amounts than articulated in a named gift opportunity inventory where deemed appropriate, especially for existing boats, buildings and facilities.

Permanence

The naming of HIOBS’s facilities, or portions thereof, is intended to be in place for the life of the designated facility or whatever period of time the Board of Directors designates to be “in perpetuity.” The Board of Directors has the authority to change the name of a space, facility, or building if warranted by changing circumstances. This is especially true for buildings that have become antiquated or otherwise unable to function as designed when the gift was completed. Whenever possible, HIOBS leadership will consult with the donor or donor’s family to determine the most appropriate way to continue recognizing a gift in some other manner when the original facility is no longer appropriate.

HIOBS facilities shall only be named for individuals and organizations that exemplify the attributes of honesty, leadership, and character consistent with the values of HIOBS. At any time, should the Board of Directors, in its sole discretion, determine these values are not maintained, the Board of Directors may remove the donor’s name, or honoree’s name, from the building, facility, or space on HIOBS property.

Pledges and planned gifts

When a philanthropic gift will be paid over a multi-year period of time or through any of several planned gift mechanisms and recognized by naming a physical space at HIOBS, the time of the official naming must be clearly articulated in the accompanying gift agreement or pledge form. Generally, official naming will occur when a pledge has been fulfilled. Exceptions may be granted for extraordinary reasons provided the gift agreement contains language informing the donor that naming will be removed if a pledge is not fulfilled by a mutually agreed upon date.

Exceptions

Exceptions to any portion of this policy may be granted by HIOBS’s Development Committee upon recommendation of HIOBS’s Executive Director.

Miscellaneous Provisions

Other Gift Types and Vehicles:

Proposed gifts not covered by the above may be referred to the Development Committee for evaluation for acceptance on a case-by-case basis.

Endowed and Invested Funds:

Accepted gifts designated to the Institute’s endowed or invested funds will be managed in accordance with the HIOBS Endowed and Invested Funds Policy. Please contact the Business Director for a copy of this policy.

Fees and Commissions:

 HIOBS shall not pay a “finder’s fee” or commission to staff, volunteers, or a third party in connection with any gift made to the school. HIOBS will not pay fees, or reimburse a donor for expenses, for legal counsel, appraisers, accountants, or environmental consultants retained by donors, unless approved in advance by the Development Committee. HIOBS will pay fees for professional services to support gift evaluation, negotiation, and acceptance when HIOBS engages said services to represent its interests.

Conflict of Interest:

In accordance with HIOBS' Conflict of Interest policy, no individual employed by HIOBS, retained for professional services, or engaged as a volunteer shall derive benefit, financial or otherwise, from gifts made to HIOBS.

Capital Campaign:

Entering a Capital Campaign may result in temporary additions to or alterations of this policy. Such additions and/or changes must be recommended by the Development Committee and approved by HIOBS’s Board of Directors and would apply until the closing date of the Campaign unless otherwise specified in a vote by the Board of Directors.

**Changes to Development Policy:**

This policy has been reviewed and accepted by HIOBS ’s Board of Directors and will be reviewed every two years, or more often, if the need arises.

Approved: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ President, HIOBS Board of Directors

Approved: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Chair, HIOBS Board of Directors

**HIOBS DEVELOPMENT POLICY APPENDIX**

**ETHICAL STANDARDS IN DEALING WITH DONORS**

Every person acting for or on behalf of HIOBS shall adhere to the standards set forth in “A Donor Bill of Rights” developed jointly by the American Association of Fundraising Counsel, the Association for Healthcare Philanthropy, the Council for Advancement and Support of Education, and the Association of Fundraising Professionals.

HIOBS is committed to the highest ethical standards of philanthropy and development. In all transactions between potential donors and HIOBS, HIOBS will aspire to provide accurate information and full disclosure of the benefits and liabilities that could influence a donor’s decision. We strive to help donors make an informed choice about using HIOBS as a vehicle for their charitable giving. In addition, all donors will be strongly encouraged to seek advice from their own financial, legal, and/or tax advisors before signing any gift agreement.

The role of HIOBS ’s staff is to inform, guide, and assist donors in fulfilling their philanthropic goals, without pressure or undue influence.

HIOBS recognizes the paramount role of donors and their gifts to HIOBS in carrying out its charitable mission. Donors will be recognized and acknowledged in appropriate ways, both publicly and privately, with the understanding that donors reserve the right to determine the degree and type of recognition they prefer. HIOBS will respect the confidentiality of donors who do not wish to be publicly recognized.

All agreements with donors and all information concerning donors and prospective donors shall be held in confidence by HIOBS. Any requests for information concerning a donor will be honored only if prior permission is obtained from the donor.

**PURPOSE OF GIFTS**

The purpose of each gift to HIOBS must fall within HIOBS ’s broad charitable purposes. HIOBS cannot accept any gift that will be directly or indirectly subject to any material restriction or condition by the donor that prevents HIOBS from freely and effectively employing the gift assets or the income from such assets to further its charitable purposes. In addition, HIOBS reserves the right to reject gifts that might place the other assets of HIOBS at risk or that are not readily convertible into assets that fall within the HIOBS ’s investment guidelines. HIOBS may also decline a gift if it is not able to administer the terms of the gift in accordance with the donor’s wishes.

**SPECIAL CONDITIONS**

*Employment of Counsel:* In some circumstances, it may be prudent for HIOBS to work with legal counsel in structuring significant gifts. When these circumstances arise, HIOBS employs, at its own expense, counsel independent of both HIOBS and the Donor.

We encourage donors to consult their own legal and tax counsel as their needs may require, and we ask that all potential contributors to HIOBS understand that counsel working with HIOBS to structure a gift cannot also work with or represent the person making the gift.

HIOBS and its employees and agents are prohibited from advising donors about the tax consequences of their donations, so donors should seek advice on the tax ramifications of any gift to HIOBS from independent legal or tax advisors.

*Securing appraisals and legal fees for gifts to HIOBS:* For individual gifts or groups of related gifts valued at $5,000 or more, which are not cash or marketable securities, it will be the responsibility of the donor to secure an appraisal to establish the value of any charitable deduction claimed in a tax return. The donor must work with their appraiser and accountant to complete IRS Form 8283. The sole obligation of HIOBS in connection with valuation opinion shall be signing of the appropriate IRS form indicating receipt of a gift.

**EXCEPTIONS**

1. No gift of property will be accepted if such acceptance should cause HIOBS to incur a financial or other obligation (to display, store, insure, clear of legal restrictions, sell, etc.) which the Executive Director deems to be burdensome. In the event the Executive Director or other designated officer of HIOBS are in a position to accept a financial or other obligation, he/she shall so recommend it to the Board of Directors for their review and approval prior to acceptance.
2. HIOBS reserves the right to dispose of gifts of property (including real property, securities, and other personal property) at any time unless otherwise agreed to with a donor.
3. No commitment shall be made regarding the retention or investment of a gift asset unless specifically authorized by the Executive Director. Where such a commitment is important to the donor, the gift will be referred to the Executive Director who will then seek the appropriate level of Trustee approval before authorizing a commitment to retain or invest a gift asset.

**A DONOR BILL OF RIGHTS**

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes that they are asked to support, we declare that all donors have these rights.

|  |  |
| --- | --- |
| **I.**To be informed of the organization’s mission, of the way the organization intends to use donated resources, and of its capacity to usedonations effectively for their intended purposes. | **VI.**To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law. |
| **II.**To be informed of the identity of those serving on the organization’s governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities. | **VII.**To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature. |
| **III.**To have access to the organization’s most recent financial statements. | **VIII.**To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors. |
| **IV.**To be assured their gifts will be used for the purposes for which they were given. | **IX.**To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share. |
| **V.**To receive appropriate acknowledgment and recognition. | **X.**To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers. |
| **DEVELOPED BY**AMERICAN ASSOCIATION OF FUND RAISING COUNSEL (AAFRC)ASSOCIATION FOR HEALTHCARE PHILANTHROPY (AHP)COUNCIL FOR ADVANCEMENT AND SUPPORT OF EDUCATION (CASE)ASSOCIATION OF FUND RAISING PROFESSIONALS (AFP) | **ENDORSED BY**INDEPENDENT SECTORNATIONAL CATHOLIC DEVELOPMENT CONFERENCE (NCDC)NATIONAL COMMITTEE ON PLANNED GIVING (NCPG)NATIONAL COUNCIL FOR RESOURCE DEVELOPMENT (NCRD)UNITED WAY OF AMERICA |

**REAL ESTATE DEVELOPMENT PROCEDURES**

1. The donor should not place restrictions on when a sale of the property can take place.
2. If HIOBS receives a partial interest only, it should be a partial interest in the entire property, and there should be no more than two other parties who hold an interest in the property.
3. In general, if the gift is offered as part of a bargain sale, the gift portion should be greater than

$100,000 (net of expenses). HIOBS prefers that the purchase price always be less than 50% of the total fair market value.

1. Gifts initially offered after November 1 of any year may or may not be accepted in that calendar year. Donors need to be aware of the time constraints for such gifts when they are proposed.
2. Gifts of interests in improved property, either outright or to charitable trusts, should be valued at a minimum of $100,000. In the absence of a qualified appraisal, HIOBS may establish the value of the property through independent sources.
3. Any gift of an interest in unimproved property should be valued at not less than $50,000.
4. Transfer of real estate to HIOBS will be accomplished through an attorney or an escrow company, according to standard local practice. Transfer tax and recording fees will be paid by HIOBS .
5. Donors will be expected to provide a title insurance policy at their expense which guarantees clear title to the property.
6. Donors will be advised about their need for a professional appraisal, at their expense, in order to claim an income tax deduction. HIOBS would appreciate a copy of this appraisal for proper recording and for purposes of the future sale of the property.
7. A gift of real property will not be considered complete until all legal documents necessary to transfer title to HIOBS have been recorded.
8. In order to avoid potential liability for environmental cleanup and toxic and hazardous materials issues related to real estate, HIOBS may require an inspection through an environmental audit at the donor’s expense, prior to accepting the gift.
9. A gift of real property may be made during an individual’s life or through his or her will. HIOBS prefers gifts of mortgage free real estate that is not subject to any other liens or encumbrances.
10. Neither gains nor losses realized by HIOBS ’s sale of real estate will affect the value of the donor’s charitable deduction. However, realized gains or losses, as well as expenses incurred by HIOBS in the disposition or maintenance of the asset until sale (including real estate fees, utilities, taxes, insurance, etc.) will be added to or deducted from the amount available for any specific fund or purpose designated by the donor.
11. In general, HIOBS prefers to select its own real estate agent to handle the sale of gift properties. HIOBS will, however, take into consideration the wishes of the donor in such selection.

**HIOBS Checklist for Real Estate Gifts General Information**

Donor’s Name:

Address:

Phone Number: (home) (business)

Email address: Location of Property: Type of Property: Owners of Record:

Ownership: *(circle one)* 1) Sole 2) Joint 3) General Partnership 4) Limited Partnership 5) Community Property, Other (Specify)

Does the Ownership Include Mineral Rights, Water Rights, Any Restrictive Easements, Covenants,

or Rights of Way?

Current Use: *(circle one)* 1) Owner Residence 2) Residential Rental 3) Commercial Rental 4) Vacant

1. Other

Legal Description (from owner’s documents):

Is there Impending Litigation with Regard to the Property? Valuation and Date of Most Recent Appraisal: Annual Property Taxes: Fees (association fees, sewer, water or other operating costs):

Are There Any Liens, Encumbrances, Mortgages, etc.?

Status of this Year’s Taxes and Holding Costs (including delinquent fees)

Donor’s Basis/Cost of Property and Length of Time Owned: Estimated Time Required to Sell the Asset:

Zoning Uses (residential, commercial, etc.): Has the Property Been the Subject of Any Regulatory Designations (such as wetland or easement)? If So, List Type of Designation and Regulatory Agency:

Proposed Delivery Date of Deed: Date of Physical Inspection of Property:

Documents to Obtain Date Received

Title Opinion

Appraisal

*Must be obtained by Donor no sooner than 60 days prior to the gift, nor later than the due date of the income tax return on which the deduction is claimed.*

Deed

*Shows how title is vested and is used to prepare the title transfer*

Property Tax Bill

*Shows assessed value of land, improvements, actual tax and any assessments*

Income/Expense Pro Forma for Three-Year Period

*If commercial income-producing property*

Association Agreement

*Ownership rights and responsibilities of some properties, primarily residential or condominiums, are governed by an owner’s association. The agreement should include fees or assessments, together with a statement showing the condition of any reserve fund for deferred maintenance.*

Conditions, Covenants and Restrictions

*Conditions, covenants and restrictions are required of most subdivisions. A copy of*

*these will show how the property may be used and what restrictions may apply.*

Lease or Rental Agreements

*If the property is leased or rented to others, a copy of each rental agreement should*

*be obtained showing the terms of the agreement, terms of rental, deposits, etc.*

Notes, Mortgages or Other Debts

*If the property is encumbered by a note, mortgage or other debt, copies of the promissory note, mortgage, deed of trust or other relevant debt instrument should be obtained showing the terms of the encumbrance.*

Current Mortgage Statement

*Will show the current status of a loan and will be helpful in identifying and discussing the loan with the lender.*

Insurance Policy

*Will verify cost of insurance and provide information for HIOBS to transfer insurance, if desired, after gift is made.*

Plot Map/Property Line

*This indicates location of property and is an important step in acquiring much of the information for gift analysis.*

Inspection Reports

*Where inspection reports are available from previous activity related to the property, such as Code Officers, inspection reports or structural assessment reports by an engineer.*

Fund Agreement

*Outline of donor’s charitable interest(s).*

#### **HIOBS**

**MEMORANDUM OF UNDERSTANDING FOR GIFTS OF REAL ESTATE**

This agreement is made on the day of \_, 201\_, between

 , residing at

(“Donor”) and the Hurricane Island Outward Bound School a not-for-profit charitable corporation having its principal office at 21 Elm St., Camden, Maine. The parties hereto desire to enter into an agreement establishing certain responsibilities and rights of each with respect to the Donor’s gift of real property described as follows:

Accordingly, in consideration of these mutual promises, it is hereby agreed by and between the parties as follows:

* 1. Donor agrees to provide HIOBS with a properly executed deed to the property.
	2. Donor confirms that there are no restrictions which would hinder HIOBS from selling the property in a timely fashion. HIOBS will determine the sale price of the property, the terms of the sale, and how the property is marketed for sale.
	3. Should any problems with title or marketability arise, Donor agrees to undertake and pay the cost of normal maintenance, taxes, fuel and required utilities until such problem can be corrected.
	4. After inspection by HIOBS, if in its sole discretion HIOBS determines that an environmental review of the property is necessary, Donor agrees to assume the costs of such a review.
	5. HIOBS agrees that the value of the premises and any proceeds of disposition thereof shall be carried on the books of HIOBS as an addition to its' assets and applied to the purposes thereof.
	6. Donor agrees that it is his/her responsibility to secure a qualified appraisal of the property with which he/she can substantiate his/her charitable deduction. Donor agrees to provide a copy of this appraisal to HIOBS. HIOBS may use this value for its gift records, or may secure its own appraisal of the property.
	7. Costs of sale of the property will be charged against sale proceeds.
	8. If the property is income-producing, Donor agrees to furnish HIOBS with copies of all leases, all monies (including interest) being held as damage deposits, and all invoices which have not yet been paid.
	9. If there is a mortgage on the property, Donor agrees to either pay the mortgage in full or remain responsible for the terms of the mortgage until it is satisfied.

This agreement may only be amended by an instrument in writing executed by both parties, and it shall be binding upon and inure to the benefit of the parties hereto and their respective successors, distributes, heirs, legal representatives and assigns.

*IN WITNESS WHEREOF,* the parties have duly executed this instrument at

 , State of Maine, as of the date appearing in its heading.

Donor HIOBS

Eric Denny, Executive Director

**HIOBS**

**CHARITABLE GIFT ANNUITY POLICY**

**Overview**

A Charitable Gift Annuity is a contract between the donor and HIOBS. It allows a donor to take advantage of a charitable contribution while at the same time receiving a guaranteed payment for the rest of his or her life.

While Charitable Gift Annuities are an outstanding gift vehicle for many donors, they carry a potential risk and liability for HIOBS. As such, HIOBS shall administer its Charitable Gift Annuity program under the following guidelines and criteria.

**Eligibility**

1. Donor(s) must be at least 65 years old.
2. The minimum amount accepted to establish an annuity will be $50,000.
3. HIOBS will accept gift annuities for one life, two lives in succession, or joint and survivor annuity agreements. Gift annuity agreements will be limited to one life or two lives in being at the time of the gift.
4. Gift assets will be limited to cash and securities for which a ready market exists.

**Annuity Payments & Rate**

1. To calculate the payments for a gift annuity, HIOBS will use the rates published by the American Council of Gift Annuities.
2. Payments, charitable deductions, capital gains and other appropriate tax reporting data will be calculated by an outside consulting agency, legal counsel or other organization with qualified software.
3. Annuity payments will be made on a quarterly, semiannual, or annual basis, depending upon the size of the payment.
4. Quarterly payments will be due to the annuitant on the last business day of each quarter.
5. Semiannual payments will be due to the annuitant on the last business day of the second and fourth quarter.
6. Annual payments will be due to the annuitant on the last business day of the calendar year.
7. Annuity payments will be rounded upward to ensure that each payment is the same.
8. The first annuity payment will be prorated based on the date the agreement takes effect and the date of the first scheduled payment. The gift annuity will be effective not before the postmark date on the envelope that brings it to us, or the date on the check (whichever is later), or, in the case of securities, the date the securities are received into our account, or in the case of physical certificates, the date we receive the stock certificate and stock power (whichever is later).
9. If the final annuitant dies on the payment date, the payment belongs to the annuitant’s estate.
10. If the final annuitant dies before the exact payment date, the payment belongs to HIOBS Concerts, Inc., which shall have a legal right to the return of the payment from the estate of the final annuitant.

**Investments & Bookkeeping**

1. HIOBS ’s Investment Management will maintain gift annuities in an investment pool that is separate from HIOBS ’s general investment pool.
2. HIOBS ’s Finance Committee shall have the responsibility and authority for determining the most appropriate investment vehicles for all annuity funds.
3. The full annuity gift will be admitted to the gift annuity fund of HIOBS and will be maintained until the demise of the last annuitant in the agreement.
4. HIOBS ’s Investment Management will maintain separate fund records for each annuity on record.
5. HIOBS will not charge an Administrative Management Fee to the annuities in the pool.
6. All annuities in the annuity pool will share their fair portion of Investment Management Fees.

**Other Criteria and Reporting**

1. HIOBS ’s annual obligations for annuity payments shall not exceed $100,000 until such a time as HIOBS ’s Board of Directors have determined that the size of the entire annuity investment pool is sufficient to cover all potential annuity obligations.
2. HIOBS or its Investment Manager will report all taxable annuity payment amounts paid in the prior calendar year by January 31st to all annuitants.
3. Annual Capital Gains that may be reported ratably over the donor’s lifetime will be reported to each donor/annuitant.
4. HIOBS will maintain separate records for each donor/annuitant containing all information and data that has been reported for the donor/annuitant.
5. HIOBS will provide the donor/annuitant at the time the Annuity Agreement is established, a chart depicting all appropriate tax reporting data (charitable deduction, capital gains, tax free and taxable annuity payments) for all the years of their projected life expectancy

**Instructions for Transfer of Securities**

**to the**

**Hurricane Island Outward Bound School via OTC Delivery, Effective June 2017**

We are pleased to provide information required to make a gift to the Hurricane Island Outward Bound School in the form of publicly traded securities. We accept transfers to our R. W. Baird account.

**R. W. Baird (DTC) Number: 0547**

Name and address: Robert W. Baird & Co., 87 Elm Street, Suite 203, Camden, ME 04843

Local contact:

Peggy East, Senior Client Specialist Private Wealth Management

Direct 207-236-5200

Toll Free 877-792-3480

peast@rwbaird.com

**Account Name: Hurricane Island Outward Bound**

**Account Number: 6606-9727**

Donors are requested to contact HIOBS directly or to have their broker contact HIOBS regarding transfers so that contributions may be properly credited. Donors and/or brokers, please advise Julia Maher, HIOBS Development Director, of the following information prior to initiating the stock transfer:

1. Name of stock to be transferred and its stock symbol;
2. Number of shares;
3. Approximate value of stock;
4. Gift fund allocation (unrestricted, land acquisition, stewardship, or education);
5. Gift date you are using;
6. Approximate transfer date; and
7. Name of clearing house (if used).

HIOBS is a charitable tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

**Tax ID No.: 04-6089174**

GIFT VALUATION

For the purpose of recording in the books of record, gifts are valued as of the date they are delivered to and accepted by HIOBS. It is the policy of HIOBS to comply fully with the valuation rules set out in IRS Publication 561 and the relevant income, gift and estate tax laws and regulations. Copies of Publication 561 are available at [www.irs.gov.](http://www.irs.gov/) The value of publicly traded securities will be calculated by the mean average of the high and low trading prices on the date the securities are received by HIOBS or its broker account.

For further information or assistance, please contact:

Julia Maher, Development Director

Hurricane Island Outward Bound School

PO Box 800, Camden, ME 04843

207-706-5057

jmaher@hiobs.org [www.hiobs.org](http://www.hiobs.org/)

**In-Kind Donation Form**

***To Be Completed By The Donor:***

*Please provide information about the gift property offered to HIOBS for the benefit or use of HIOBS. Gifts-In-Kind typically involves tangible personal property, which may include such things as food for events, boats and equipment, or real estate.*

*About The Donor:* Name

Address

*About The Gift:* Description

*If applicable, please indicate the specific purpose for which this gift is intended; otherwise, please indicate it is unrestricted*:

 Unrestricted Manufacturer: Model: Serial No.: Fair Market Value of Property: $ on Date of Gift: *(Please attach documentation of the property’s value – e.g., an appraisal, a paid invoice, or a retail price list.)*

I warrant that I am the owner of the property described above, that the property is free of all liens and encumbrances, and that I am competent to make gifts. I give irrevocably all my rights, title, and interests, including copyright, in and to this property to HIOBS for the use or benefit of HIOBS.

Name of Donor: Date:

Please Print

Signature of Donor: Date:

**To Be Completed by HIOBS:**

If applicable, please list any benefits received by or made available to the donor in consideration for making this gift:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Estimated Value of Benefits:

If applicable, please list any restrictions on the use and disposition of the property:

Name of Administrator at HIOBS to Receive This Gift\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

$

(Please Print)

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***To Be Completed by HIOBS:*** *I here affirm that the above-described property is accepted as of the date written below by HIOBS:*

Officer Date

*A copy of this form will be provided to the donor upon execution by HIOBS Please send or deliver this completed form to:*

**Boat Donations to HIOBS**

**Guidelines for the Donor**

**What can I donate?**

Sailboats, motorboats, equipment (i.e. engines).

**Is my donation tax deductible?**

According to the IRS:

You must file Form 8283 if the amount of your deduction for all noncash gifts is more than $500.

*What is an 8283 form and do I need one to receive credit for my donation?*

According the IRS, a person, or persons filing jointly, will use form 8283 to report information about non-cash charitable contributions. Scratching your head yet? The IRS just wants to make clear that an 8283 form should be used to report all donations you have made to charity, except donations of cash, credit card or check. If you have made donations of cash credit card or check, the IRS will still give you credit for them, but they would like you to use a different form.

An 8283 form would be used to receive a tax deduction for items like a boat donation, a car donation, or even household items you have donated to charity. If you have a current appraisal for your boat donation you should already have an 8283 IRS Non-Cash donation form in hand.

**How is the value of my donated boat or equipment determined?**

The value of donated boats and equipment (or groups of similar items such as sales) over $5,000 is determined by a qualified appraiser you select.

For donated vessels that we are not able to make substantive use of or materials improvements to, the value is determined by the amount we report to you and the Internal Revenue Service that we sold it for. This eliminates the guesswork and risk of you determining the value of your donation.

We will not accept a boat without telling you what our plans are for it upfront.

For additional information see page five of the Internal Revenue Service Publication 561: Determining the Value of Donated Property.

**How will my donation be used?**

Donations to HIOBS that are held for our programs may be used to support a variety of activities including sailing with HIOBS Students, staff training vessels and program support vessels. You may wish to consider donating maintenance funding with the vessel (approximately 10% of the value of the boat per year) to ensure that the costs of upkeep are not a burden on the School. When the vessel no longer meets our program needs it is sold to provide the financial support necessary to operate these activities.

Tax law changes implemented in 2005 enhance the benefits of individuals donating to reputable charitable organizations such as HIOBS.

We are required to inform you of three intended uses of the vessel: Held for Sale; Significant Intervening Use; or, Material Improvement. Here is what this means to you:

* If the boat is “Held for Sale” the donor is entitled to a deduction equal to the actual sale amount – eliminating guesswork
* If the boat will be put to “Significant Intervening Use” or “Materially Improved” the donor is able to claim a tax deduction of 100% of the fair market value as determined by a qualified appraiser they hire and can have up to five years to write it off.

**What is the donation process?**

First, contact us at 207.706.5059 or email us at donate@hiobs.org. Once we have agreed up the donation, arrange for a surveyor to appraise the value of your boat, complete some paperwork, and let us know when you would like to deliver the boat. Once it is received, you will receive an official letter acknowledging your tax deductible donation and IRS form to be submitted with your tax return

**What forms are necessary to donate a boat?**

There are minimal forms below that are necessary to donate your boat:

* 1. Deed of Gift/Bill of Sale: United States Coast Guard (CG 1340) Form
	2. Claiming Tax Deduction: Internal Revenue Service Form 8283 Noncash Charitable

Contributions and Instructions for Form 8283

**What other additional resources are available about boat donations?**

Internal Revenue Service Publication 526: Charitable Contributions
Internal Revenue Service Publication 4303: A Donor’s Guide to Car Donations (applies equally to boats)