**ABC Organization**

**Gift Acceptance Policies**

This policy serves as a guideline for staff, board members, volunteers and outside advisors who participate in soliciting funds for ABC. It is intended only as a guide and allows for flexibility on a case-by-case basis. This policy pertains to sponsored and/or collaborating projects of ABC as well.

**GUIDELINES**

1. Subject to applicable policies, procedures and review, the President/CEO of ABC, Board members, volunteers and staff, so designated, have authority to solicit and/or accept gifts on behalf of ABC.
2. Ultimately, all gifts, grants and donations are subject to approval by the ABC Board. ABC reserves the right to refuse a gift if it is determined to be in conflict with ABC’s mission and purpose.
3. Gifts may be designated for a specific program or may be undesignated, available for use at the discretion of ABC.
4. The President may establish a Gift Review Committee responsible for recommending whether or not ABC should accept proposed gifts. The Committee shall consist of not less than three members from the Board of Directors, as well as the President/CEO as a non- voting member and convener. The President/CEO shall have the authority to appoint other individuals, on an ad hoc basis, who have special expertise that may be needed in order to make a decision on a specific gift.
5. The Gift Review Committee may consider each gift according to its intended use, restrictions, liabilities and financial impact on ABC, now and in the future. Only gifts, bequests, devises, endowments, trusts and similar funds that are designated for the use of ABC consistent with its ABC stated goals and mission will be considered for acceptance.
6. The President/CEO will refer to the Gift Review Committee, before acceptance, gifts that are given with unusual restrictions or designations, have the potential of jeopardizing the tax-exempt status or violating policies, local, state or federal laws, or may have negative impact on the reputation and credibility of ABC.
7. ABC will assume that donors rely on their own personal advisors for tax, legal, financial and other advice concerning their gifts.

**TYPES OF GIFTS**

**Cash**

ABC, regardless of amount, may accept all gifts by cash, credit card, check or electronic transfer.

Payments shall be made payable to ABC, unless otherwise specified. In no event shall a check be made payable to an individual who represents ABC.

**Publicly Traded Securities**

ABC can accept readily marketable securities, such as those traded on a stock exchange.

Gift securities are to be sold immediately, unless the Gift Acceptance Committee deems otherwise.

For gift crediting and accounting purposes, the value of the securities is the average of the high and low on the date of the gift, in accordance with IRS regulations.

**Closely Held Securities**

Donations of shares of stock of closely held corporations not publicly traded on the open market will be declined unless there are written contractual rights to sell the stock to a named party in the future at a specified price set by a written formula.

Such securities will be carried at book value until audited financial statements are provided so that book value can be substantiated, or the donor provides a qualified appraisal in compliance with IRS regulations.

Gifts of closely held corporate stock will be carried on ABC’s books at $1 in the absence of financial information that would enable determination of book value.

An appraisal of securities may be conducted to determine both value and potential for sale.

Gifts of securities that require a holding period will be accepted and sold when the holding period has expired.

Gifts of securities that will not be accepted include: securities that are assessable or in any way could create a liability to ABC; securities that, by their nature, may not be assigned (such as “S” corporation stock); securities that on investigation have no apparent value.

**Real Estate**

The Gifts Review Committee will review all gifts of real estate.

The donor is responsible for obtaining an appraisal of the property, unless otherwise determined by ABC.

A member of the Gifts Review Committee must conduct a visual inspection of the property. If the property is located in a geographically distant area, a local real estate broker may substitute for a member of the Committee in conducting the visual inspection. ABC may also require an environmental site assessment including Title V status for possible contamination, (i.e., leaking underground storage tanks) or other restrictions (i.e., wetlands).

Due to the expense associated with gifts of real estate, normally only real estate and general warranty deed gifts with a current or anticipated value in excess of $10,000 will be accepted.

Prior to presentation to ABC, the donor must provide the following documents: real estate deed; real estate tax bill; plot plan; substantiation of zoning status; environmental site assessment, and any encumbrances, easements or restrictions related to the property.

If the donor is giving a ***life estate gift***, the donor may be asked to pay for all or a portion of the following: maintenance cost; real estate taxes; insurance; real estate broker’s commission and other costs of sale; appraisal costs. If the real estate is an ***outright gift***, ABC will pay for these costs

For ABC’s gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate, excluding any costs to ABC for insurance, real estate taxes, broker’s commission, or other expenses of the sale.

Properties with mortgages will be considered on a case-by-case basis. Consideration may include an independent appraisal and the mortgage percentage of property value. Mortgaged property is not acceptable for charitable remainder trusts.

**Life Insurance**

ABC will accept gifts of life insurance policies only when ABC is named as the owner and beneficiary of the policy.

If the policy is paid-up, the value of the gift for ABC’s gift crediting and accounting purposes is the policy’s replacement costs.

If the policy is partially paid-up, the value of the gift of ABC’s gift crediting and accounting purposes is the policy’s cash surrender value.

**Tangible Personal Property**

Gifts of tangible personal property should have a use related to ABC’s exempt purpose or a resale cash value.

Gifts of jewelry, artwork, collections, equipment, and software can be accepted. When deciding on acceptable gifts of personal property, other factors including transportation cost; storage cost; cost of selling; cost of maintenance and repairs; location of property; cost of insurance shall be considered.

Depending upon the anticipated value of the gift, ABC may require the donor to have a qualified outside appraiser value the gift before accepting it. ABC adheres to all IRS requirements for disposing of gifts of tangible personal property and filing appropriate forms.

**Arline Tickets or Mileage**

ABC may accept gifts of tickets or air miles for travel to be used by staff or board members to attend conferences/meetings as approved by the President/CEO.

**Planned Gifts, Bequests, Memorials and Endowment**

ABC shall encourage assets transferred through bequests that have immediate value to ABC, or that can be liquidated. Gifts that appear to require more cost than benefit shall be discouraged or rejected.

ABC may accept and administer bequest, memorial, and endowment gifts designated for specific purposes. Non-designated bequests and gifts will be allocated by the ABC President/CEO or Board of Directors.

Gift annuities, charitable remainder trusts, and other structured gifts may be accepted on a case-by-case basis. The donors own counsel must review all documents at the donor’s cost.

**ADMINISTRATIVE ISSUES**

ABC and its staff shall not act as an executor (personal representative) for a donor’s estate.

ABC may act as co-trustee of a charitable trust when the trust names ABC as a beneficiary of 50% or more of the trust.

ABC may pay for the drafting of legal documents for a charitable remainder trust of which ABC is named as a beneficiary of 50% or more of the trust. The donor’s own counsel must review the documents at the donor’s cost.

Terms and conditions must be agreed upon before a restricted, designated or endowed fund is established; therefore, contact with ABC for appropriate documentation is required.

In accordance with the ABC Investment Policy, a minimum contribution may be required to establish a named restricted, designated or endowed fund.

For restricted, designated and endowed funds, if future circumstances change, or the donor fails to fulfill his/her pledge obligation, or the purpose for which the fund is established becomes illegal, impractical, or no longer meets the needs of ABC, ABC may specify an alternative use in the spirit of the donor’s original intent for the gift to further the objectives of ABC.

ABC will not pay a percentage of donation, gift, grant or contract, and will not pay a finder’s fee, to any individual or organization seeking funds in behalf of ABC.

***Adopted by the ABC Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  This policy is to be reviewed annually by the ABC Executive Committee***