

## Center for Children and Families (CCFI) Policy and Procedure

Subject: Gift Acceptance Policy Last Review Date: June 2019
--

### 1. **General.**

(a) The Center for Children and Families, Inc. (“CCFI”) will deposit contributions in accordance with the donor’s written request in one of the accounts listed below:

(i) Unrestricted cash gifts will be deposited into the checking account of CCFI. Unrestricted gifts of marketable securities will be deposited into a brokerage account of CCFI, as determined by the Finance Committee.

(ii) Restricted gifts, if accepted, will be deposited in such accounts as the Finance Committee may determine to be best suited for the type of gift (cash or securities), the restriction, and the ability to maintain separate tracking of the gift to ensure that the restriction can be properly met.

(b) Contributions may include cash, marketable or unmarketable securities and real property that CCFI can reasonably expect to convert to cash within 3 years. Note: We could simply say “securities”

(c) CCFI will not accept gifts where there is no charitable intent on the part of the donor. Contributions" to cover the cost of a meal or other benefit received by the donor would only be tax deductible for any amount that exceeded the cost of the meal or other benefit.

(d) The Chief Executive Officer or designee is authorized to accept gifts of securities and cash.

(e) The Chief Executive Officer or designee is authorized to accept gifts of property other than real estate valued at \$10,000 or less. Property gifts other than real estate valued in excess of \$10,000 require approval of the Board of Directors.

(f) The Chief Executive Officer or the Board of Directors must approve acceptance of any contributions and gifts with donor-imposed restrictions.

- i. The Chief Executive Officer is authorized to accept contributions and gifts, with donor imposed restrictions, up to \$100,000.
- ii. All contributions and gifts, with donor imposed restrictions, in excess of \$100,000 must be approved by the Board of Directors or its’ designee (i.e. Executive Board Committee).

2. **Pledges.**

(a) CCFI must receive a signed pledge form, signed letter of intent or a direct e-mail before a pledge is recorded.

3. **Gifts of Real Estate.**

(a) In order for gifts of real estate to be recognized, the donor must provide a transfer of title and possession.

(b) If the real estate gift is not intended to be used for CCFI purposes, CCFI expects to convert gifts of real estate to cash at the earliest opportunity, taking into account market conditions, marketability, value, and other appropriate considerations. Generally, CCFI will not accept gifts of real estate where conversion to cash is not likely within 3 years.

(c) Prior to acceptance of a gift of real estate, CCFI will perform due diligence appropriate for acquisition of the type of property being offered.

i. CCFI may, at the Board's discretion, obtain the advice and recommendations of brokers, valuation consultants, appraisers, attorneys, or others before accepting real estate.

(d) Unless otherwise approved by the Board of Directors, the donor shall be responsible for all expenses associated with real estate gifts, including but not limited to surveys, title insurance, environmental testing, brokerage commissions, filing fees, valuations, appraisals, attorney fees and closing costs.

(e) CCFI will report gifts of real estate to the IRS as required by law.

(f) CCFI will not accept property encumbered by a mortgage or other indebtedness unless approved by the Board of Directors.

(g) CCFI must obtain adequate insurance coverage for donated property.

4. **Gift Valuations.**

(a) Cash - In cases where gifts are made in cash, the valuation is the amount of the cash actually paid and received.

(b) Publicly Traded Securities - Gifts of securities will be valued at the average of the high and low quoted selling price on the date that the donor transfers title to the securities.

(c) Privately Held Securities - Gifts of stock in closely held corporations will be valued based on a report of a qualified independent appraisal at the time of transfer. Generally,

CCFI will accept gifts of privately held securities only when it can reasonably expect to convert the securities to cash within 5-years.

(d) Real Property - Gifts of real property will be recorded based on the appraised value, as determined by a qualified independent appraiser within 60 days of the date of transfer.

(e) Interests in Oil and Gas Properties - The Board of Directors decides whether to accept or reject gifts of interests in oil and gas properties and may add conditions, stipulations or requirements relating to the acceptance of such a gift. Additionally, the Board of Directors shall decide whether to retain the interest or dispose of it.

(f) Life Insurance - Gifts of life insurance will be valued, for recognition purposes, based on the surrender value on the date of the transfer. CCFI does not endorse any insurance product, agency, or sales persons.

(g) Gifts-in-Kind - Gifts-in-kind are tangible gifts, other than cash, securities, and real property. CCFI will acknowledge receipt of gifts-in-kind. The in-kind value is determined by the donor. Donors should consult with their tax advisors as to the allowable deduction for in kind gifts.

(h) Service - Gifts of service are contributions of actual, billable service directly related to the business or profession of the service provider. Gifts of services will be recognized at the level of actual amounts invoiced where payment is not expected. Specific types of services include real estate commissions, accounting fees, legal fees, marketing fees, and other fees that are clearly identifiable as billable in the ordinary course of business. Donors should consult with their tax advisors as to the allowable deduction for services.

5. **Appraisal Requirements.**

(a) If the donor claims a federal income tax deduction greater than \$5,000 the donor must obtain a written appraisal from a qualified independent appraiser and provide to CCFI the appraisal and a copy of the approved IRS Form. The Chief Executive Officer of CCFI may then sign the form and return it to the donor for attachment to his/her federal income tax return. The donor must obtain the appraisal no earlier than 60 calendar days before the transmission of the gift and no later than the due date for the filing the donor's tax return. A qualified independent appraiser acceptable to CCFI must provide the appraisal. The appraiser cannot be associated with CCFI or any of its employees. If the gift is made to fund a specific recognition opportunity, the donor must agree to make up any shortfalls upon conversion to cash.

(b) Donors of property gifts must seek their own legal and tax counsel with regard to all property gifts. CCFI may, in its discretion, refuse gifts of property when it determines that the donor has not complied with IRS appraisal requirements.

(c) CCFI will send an acknowledgment of the gift to the donor after a complete transfer. The acknowledgment will not include any statement of value of the donation.

(d) The donor will be responsible for all costs associated with obtaining a qualified appraisal, unless the Board of Directors approves the appraisal at CCFI expense.

6. **Security Transfers and Sales.**

(a) In the case of a gift or pledge payment in the form of securities, CCFI will sell the securities upon transfer of ownership.

(b) Any loss or gain in the value of the securities resulting from the timing of the sale will not be added to or deducted from the gift valuation.

(c) Following transfer of securities, the donor may not direct the disposition, sale, or retention of the securities.

7. **Planned Gifts.**

Planned or deferred gifts may include those made in connection with the following:

- (i) Charitable remainder trust;
- (ii) Charitable lead trust; and
- (iii) Charitable gift annuity.
- (iv) Bequest in Will or Living Trust

## **Policies Concerning Gift Reporting, Acknowledgement, and Recognition**

### **1. Gift Acknowledgement and Receipts.**

(a) CCFI will acknowledge gifts in a timely manner by furnishing a receipt to the donor. CCFI should also acknowledge the gift in correspondence accompanying the receipt.

(b) CCFI will acknowledge memorial and tribute gifts by sending acknowledgments to the donor and to the tribute honoree, so long as the donor provides all necessary information to permit CCFI to send an appropriate acknowledgement, including the address of the person to whom the acknowledgement should be sent.

(c) CCFI will acknowledge stock transfers on a receipt form showing the date of transfer and the number of shares transferred.

(d) CCFI will acknowledge gifts of real or personal property on a receipt form that describes the property. CCFI may specify the appraised value of real or personal property in a letter that accompanies the receipt with a statement that the value is based on an appraisal provided by the donor or a certified appraiser.

### **2. Anonymity.**

(a) Benefactors will be given the opportunity to choose anonymity. Anonymous gifts will be reflected in all published lists and other forms of donor recognition. The following individuals will be informed of the identity of donors who request anonymity and the amount of their contributions:

- Chief Executive Officer
- President of the Board of Directors
- Others Designated by the President of the Board of Directors or Chief Executive Officer

(b) Donors who elect anonymity should be made aware of the select individuals who will be informed of their contribution before news of the gift is communicated. Donors should then have the opportunity to further limit this list. The Chief Executive Officer, the Mission Advancement Director, and accounting staff of CCFI will have access to information concerning all gifts, including anonymous gifts.

3. **Provisions for Donor Recognition and Confidentiality.**

(a) CCFI will recognize all donors, regardless of the size of their gifts, while recognizing the wishes of those who choose to remain anonymous.

(b) Forms of donor recognition may include named gift opportunities, donor recognition levels, publications, permanent plaques and other forms of recognition.

(c) Named gift opportunities are the designation of programs or facilities, in recognition of a specified and agreed upon level of financial support, as determined by the Board of Directors and Chief Executive Officer.

(d) Donor recognition levels are groupings of donors according to levels of giving ranging. CCFI may acknowledge benefactors who give at the identified levels by listing their names in various publications.

(e) Members of the Board of Directors of CCFI and employees of CCFI may have access to information about donors and prospective donors that is or may be of a personal and confidential nature, including financial information on a need to know basis only.

(f) CCFI is committed to protect the privacy and trust of its benefactors, friends, donors, and prospective donors. CCFI will not trade, share or sell a donor's personal information with anyone else nor send donor mailings on behalf of other organizations. Donors personal information includes but is not limited to address, telephone numbers and email addresses.

(g) Discussions concerning donors and prospective donors are considered to be private and strictly confidential.

(h) Information concerning financial capability, past giving, giving patterns, specific gifts, and personal disclosures about giving interests are considered to be private and strictly confidential.

(i) Information contained in any donor database, donor lists and compilations are confidential, and the use of the information shall be limited to purposes related to the business and affairs of CCFI.

(j) Members of the Board of Directors, employees and volunteers should not use donor cultivation and solicitation activities to develop their own businesses or to make a solicitation on behalf of another business, organization, or enterprise.

4. **Policies Concerning Matching Gifts**

(a) Whenever possible, donors will be encouraged to take advantage of corporate or foundation matching gift programs.

(b) Unless otherwise directed by the donor, corporation or foundation, income from matching gifts will be designated for the same restricted purpose as the original gift of the individual donor.

(c) The matching gift will not be credited to an individual or family gift and, therefore, will not entitle the individual or family donor to increased recognition or naming opportunities. Exceptions may be made when the matching gift donor corporation or foundation expressly requests that their recognition value be given to the original donor.

(d) Gift Acceptance - General

- a. Under no circumstances shall any CCFI staff or Board member accept gifts from a vendor or potential vendor for purposes other than a charitable gift for CCFI benefit.
- b. Staff will not accept money, gratuities, or gifts of any monetary value from a client, client's family member, or stakeholder, and will not accept personal favors or benefits that may reasonably be construed as influencing their conduct. Staff shall report any offers of gifts or personal favors to their supervisor.

5. **In Kind Gifts**

- (a) Gifts-in-kind are tangible gifts, other than cash, securities, and real property.
- (b) In some cases in kind gifts are directly solicited, as in solicitation of gifts for CCFI clients and siblings through the Holiday Wishes program and solicitation of diapers for the Baby Pantry.
- (c) Many donors make unsolicited in kind donations such as baby furniture, clothing, toys, etc. These items may be used by CCFI or re-gifted to CCFI clients in need.
- (d) When contacted in advance of the donation, CCFI staff may redirect donors wishing to gift items that are not of use to CCFI or its clients.
- (e) CCFI does not accept used car seats for re-gifting to clients due to liability concerns.
- (f) Items received that are not needed for CCFI use or are not appropriate for re-gifting to clients may be disposed of by selling at a fair market price or by re-donating to another non-profit agency such as Salvation Army.
- (g) At the time an in kind donation is received, the donor is asked to state the value of the gift. This amount is then reflected in the donor database and the gift acknowledgement letter or email sent to the donor.