

Sample Gift Acceptance Policy

XYZ Charity, a not-for-profit organization encourages the solicitation and acceptance of gifts to XYZ Charity (the Charity) for purposes that will help the Charity to further and fulfill its mission. The Board of Directors of the Charity and its staff solicit gifts from individuals, corporations and foundations to secure the future growth and mission of the Charity. The following guidelines govern acceptance of gifts made to the Charity or for the benefit of any of its programs.

Management of the Charity will consider seeking the advice of legal counsel (with nonprofit expertise) in certain matters relating to the acceptance of gifts when appropriate. Consideration of review by counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- Documents naming the Charity as Trustee.
- Transactions with potential conflicts of interest that may invoke IRS sanctions.
- Other instances in which use of counsel is deemed appropriate.

The Charity will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission. The Charity will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Charity. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

The following gifts are acceptable:

- Cash
- Tangible personal property
 - The property must be able to be used to fulfill the mission of the Charity or must be sold easily.
- Securities
 - Marketable securities may be transferred to an account maintained at one or more brokerage firms. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Investment Committee.
 - Closely held securities are subject to approval by the Board of Directors and the advice of legal counsel may be necessary. Considerations include tax consequences, the marketability of the securities, and any restrictions on the securities.
- Real estate
 - Gifts of real estate are subject to approval by the Board of Directors. Considerations should include: the usefulness of the property to the Charity, the marketability of the property, any restrictions associated with the property, and any carrying costs (such as insurance, property taxes, mortgages, etc.).
 - An environmental review of the property is required.
- Remainder interests in property

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- Life insurance
 - The Charity must be named as both the beneficiary and the irrevocable owner before a life insurance policy is recorded as a gift. The gift is valued at its cash surrender value.
- Charitable gift annuities
- Charitable remainder trusts
- Charitable lead trusts
- Retirement plan beneficiary designations
 - The Charity will not record designations as gifts until such time as the gift is irrevocable.
- Bequests
 - Bequests will not be recorded as gifts to the Charity until the gift is irrevocable.
- Life insurance beneficiary designations
 - The Charity will not record designations as gifts until such time as the gift is irrevocable.

It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel (if necessary) for all gifts made to the Charity.

The Charity will record a gift received by the Charity at its fair market value on the date of gift.

The Charity will be responsible for the appropriate IRS tax filings when a non-cash gift is received and/or sold.