

**Gift Acceptance and Administration Policy**  
(INSERT NAME OF ORGANIZATION HERE)

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**I. INTRODUCTION**

**(INSERT NAME OF ORG)** (hereinafter referred to as the Charity), a nonprofit organization organized under the laws of the State of **(INSERT**

donors, including how and by who each is compensated, if applicable. Donors receiving advice, recommendations, and/or illustrations for deferred and other major gift arrangements from the Charity in contemplation of a gift transaction may be requested to sign the “Donor Disclosure” provided as Attachment III, which acknowledges that neither the Charity nor any employee or agent is in the business of rendering legal, investment, or tax advice and that the donor has been advised to seek independent counsel on these matters.

**iv. Public Disclosure**

The Charity will comply with section 6104(d) of the Internal Revenue Section code as amended by the Tax and Trade Relief Extension Act of 1998 that became effective June 8, 1999, with regard to documents that must be made available for public inspection. These documents include application for tax exemption and annual information returns for the past three years including all schedules and attachments filed with the IRS except for parts of the return that identify names and addresses of contributors. These documents will be available for public inspection at the Charity’s principal office during normal business hours. Writnt,



vi. **Life Insurance**

The Charity must be named as both beneficiary and irrevocable owner of an insurance policy before it can be recorded as an outright gift. The gift value for income tax purposes is the lesser of the policy's value or the donor's basis. If the policy is paid in full, its value is generally equal to its replacement value (cost of identical policy given the donor's age and health). If the policy is not paid up, the policy's value will be based on the interpolated terminal reserve value (ITRV) plus any unearned premium. The insurance company provides the ITRV. Beneficiary designations do not require Board approval.

1. **Paid-up Policies:**

Although paid-up policies may be accepted without Board approval, the Board shall determine if the policy will be held, surrendered for cash value, or exchanged for another policy.

2. **Other than Paid-up Policies:**

Insurance policies that are not paid-up require Board approval. If accepted the donor must provide a statement that the Charity did not select the policy donated and that the Charity has no liability and gives no guarantees as to the financial performance of the policy or underlying insurer. If the donor contributes future premium payments, the Charity will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the Board shall determine whether it will continue to pay the premiums, convert or exchange the policy, or surrender the policy for cash value.

vii.

Charity will provide guidance and appropriate language to the donor and/or donor's counsel to assist in ensuring that the donor's intentions are fulfilled. At gift maturity, all acceptance guidelines listed in sections II(b) and II(c) shall apply.

**ii. Pooled Income Funds (INCLUDE ONE OF THE TWO CHOICES)**  
**(CHOICE ONE)**

The Charity provides the following Pooled Income Fund(s):

Name of Fund: (INSERT NAME OF FUND OR FUNDS)

Minimum Initial Contribution: (INSERT DOLLAR AMOUNT HERE)

Minimum Additional Contribution: (INSERT DOLLAR AMOUNT HERE)

Minimum Age to Participate: (INSERT AGE)

**(CHOICE TWO)**

The Charity does not operate a Pooled Income Fund but may refer donors interested in Pooled Income Funds to a Community Foundation (or other asset holder). Agreements are between the donor and a Community Foundation (or other asset holder) and the Charity assumes no responsibility for fulfillment of agreement terms. Participation requirements are subject to policies of a Community Foundation (or other asset holder).

**iii. Charitable Gift Annuities (INCLUDE ONE OF THE TWO CHOICES)**  
**(CHOICE ONE)**

The Charity was licensed as a grants and annuities society with the (STATE) Department of Insurance in (INSERT YEAR), which is backed by the net unrestricted assets of the Charity.

Minimum Age to Receive Income: (INSERT AGE)

Minimum Contribution: (INSERT \$ VALUE)

Acceptable Assets: (INSERT ALL THAT APPLY OF: CASH, PUBLICLY TRADED SECURITIES, REAL PROPERTY, LIFE ESTATES)

Types of Contracts Offered: (INSERT ALL THAT APPLY OF: IMMEDIATE, DEFERRED, FLEXIBLE, EDUCATIONAL)

Maximum Rates Offered: As established by the American Council on Gift Annuities  
(INSERT OTHER LANGUAGE IF NOT THE CASE)

**(CHOICE TWO)**

The Charity is not licensed as a grants and annuities society but may refer donors interested in charitable gift annuities as a planned giving option to a Community Foundation (or other asset holder). Contracts are between the donor and a Community Foundation (or other asset holder) and the Charity assumes no responsibility for fulfillment of contract terms. Participation requirements are subject to policies of a Community Foundation (or other asset holder).

**e. Restricted Gifts**

Restricted gifts must be consistent with the Charity's mission and purpose. The following guidelines apply:

**i. Temporarily Restricted Gifts**

Principal and income is available for expenditure on gifts made for a specific purpose or in support of a specific program of the Charity.

**ii.**



**c. Recognition**

It is the Charity's intent to communicate appreciation of gifts whenever it is acceptable to the

1. 75% of all unrestricted realized deferred gifts (i.e., bequests, charitable trust distributions, gift annuities, etc.) will be allocated to endowment and 25% to the Charity's operating fund.
2. A minimum of 5% of capital campaign proceeds shall be earmarked for endowment and incorporated into campaign goals.
3. A minimum of 10% of revenues in excess of the approved budget will be allocated to endowment.

**ii. Cash Reserves Policy**

**(INSERT EXISTING POLICY)**

EXAMPLE: It is the policy of the Charity to keep 8 months of operating capital on hand at all times in cash reserves. The **(INSERT APPLICABLE OVERSIGHT PARTY)** is responsible for ensuring that adequate cash reserves are maintained.

**iii. Operating Overhead (INSERT IF DESIRABLE)**

It is the policy of the Charity to assess overhead costs against all restricted gift funds to support operating expenses. The appro



**ATTACHMENT I**  
**Model Standards of Practice of the Charitable Gift Planner**

Preamble

The purpose of this statement is to encourage responsible charitable gift planning by urging the adoption of the following Standards of Practice by all who work in the charitable gift planning process, including charitable institutions and their gift planning officers, independent fundraising consultants, attorneys, accountants, financial planners and life insurance agents, collectively referred to hereafter as “Gift Planners.”

## V. Competence and Professionalism

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

## VI. Consultation with Independent Advisers

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisers of the donor's choice.

## VII. Consultation with Charities

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to ensure that the gift will accomplish the donor's objectives, should encourage the donor early in the gift planning process to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor; to obtain the charity's input in the gift planning process.

## VIII. Explanation of the Gift

The Gift Planner shall make every effort, insofar as possible, to ensure that 9(at)5(i)6.11(i)3 EMC /161h)11(l)-4e /161hatTB00



**ATTACHMENT III**  
**Donor Disclosure and Waiver**

**Privacy Notice**

All information you supply to us is considered confidential and will not be disseminated to others except as required by law.

**Consent to Use Personal Information**

We are grateful for the support we have received from you and other donors. One of the ways our appreciation is expressed may be through the listing of your name in publications. Should you wish that your name not appear as a donor, please let us know.

**Independent Counsel**

Our policy requires that we advise you to consult with your own independent counsel to review any gift transaction prior to completion. The undersigned acknowledges that neither the Charity nor its representatives render legal, investment, or tax advice.

**Fiduciary Responsibility**

The (INSERT NAME OF CHARITY) is a (STATE) nonprofit, public-benefit corporation with the responsibility for governance vested in its Board of Directors.

**Recovery of Operating Costs from Private Gifts**

It is the general policy of the Charity to set-aside a percentage of restricted gifts into the Operations Fund to support overhead expenses of the Charity. Currently that percentage is (INSERT PERCENTAGE).

I have read and understand the above disclosures.

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**ATTACHMENT IV  
SAMPLE LANGUAGE FOR CHARITABLE BEQUESTS**

**GIFT OF A PERCENTAGE OF THE ESTATE**

“I give, devise, and bequeath to **(INSERT LEGAL NAME OF CHARITY)**, a public benefit corporation