

This is a sample policy for reference. The content included may not be applicable to your organization or align with your existing policy; CCS encourages board and counsel review of any such policies. CCS hopes these are helpful, and we would be happy to connect and discuss questions about your organization.

Gift Acceptance, Credit, and Recognition Policies

[To be reviewed by ORGANIZATION NAME Fundraising Committee]

I. Purpose of this Policy Statement

This policy statement shall give guidance and counsel to individuals concerned with the solicitation, receipt, acceptance, application, and disposition of philanthropic gifts to ORGANIZATION NAME. It should be noted that this document is not intended to provide detailed descriptions of various giving instruments or offer advice to prospective donors regarding the most effective means of achieving their philanthropic goals.

Specifically, the policies contained herein will provide guidelines for ORGANIZATION NAME to:

- a. Accept philanthropic gifts and pledges that are made using a range of the most common giving instruments;
- b. Credit and account for gifts and pledges;
- c. Recognize donors who contribute to ORGANIZATION NAME; and
- d. Inform decisions made on matters related to gifts made or pledged to the capital campaign.

II. Guiding Principles

The following are important guiding principles used in developing these policies:

- a. These policies are informed by established industry guidelines for “best practices” in nonprofit fundraising. These guidelines include Generally Accepted Accounting Principles (GAAP), and standards approved by the Financial Accounting Standards Board (FASB) and the Council for the Advancement and Support of Education (CASE), among other organizations.
- b. It is assumed that ORGANIZATION NAME and its representatives will endeavor, at all times, to faithfully implement the stated and/or written philanthropic goals of donors.
- c. Persons acting on behalf of ORGANIZATION NAME shall encourage donors to discuss proposed gifts with independent legal, financial, and/or tax advisors and shall stress the importance of such counsel when gifts in question are structured and irrevocable.

- d. The leadership of ORGANIZATION NAME, henceforth “ORGANIZATION NAME leadership,” shall refer to the ORGANIZATION NAME Board of Directors and other members of the senior administrative staff.

III. Gift and Pledge Confirmation

To be counted, all gifts must be received by ORGANIZATION NAME outright, or pledged in writing and signed by the donor or the donor’s qualified representative.

Acceptable forms of written confirmation include, but are not limited to:

- a. a signed Letter of Intent or pledge form;
- b. letter authored by the donor;
- c. written agreement;
- d. trust document or other legally binding documentation associated with acceptable planned giving instruments; or
- e. other legal notification.

For pledges, a schedule of pledge payments will be requested to assist ORGANIZATION NAME in financial planning. For all solicited gifts, ORGANIZATION NAME will provide pledge forms to be signed by the donor or the donor’s qualified representative.

In exceptional cases, oral pledges may be counted only with the approval of FUNDRAISING COMMITTEE and if a confirmation letter has been delivered to the donor by a member of ORGANIZATION NAME leadership.

IV. Length of Pledges

Pledged gifts may be fulfilled over a period of up to five years. At its discretion and on a case-by-case basis, the FUNDRAISING COMMITTEE, ORGANIZATION NAME leadership, or both can extend the pledge payment period to accommodate donors’ wishes or needs.

V. Acceptance and Counting of Gifts and Pledges to Specific Fundraising Campaign

- a. Time Period. Only those gifts and pledges actually received or committed during the approved campaign time period (before DATE) will be included in the campaign total. The Campaign Committee will have the discretion to recommend for approval to ORGANIZATION NAME leadership that gifts received or committed before or after the approved campaign time period be counted toward the campaign total.
- b. One Campaign Only. Gifts and pledges may be counted toward one campaign only. Unless directed by the donor and approved by ORGANIZATION NAME leadership, the balance of a pledge made but not fulfilled during one campaign may not be counted in a new campaign.

- c. Solicited Gifts. Gifts and pledges (including bequests, with qualifications) that are made as a result of campaign solicitations (regardless of whether solicitations are conducted by ORGANIZATION NAME staff, trustees, volunteers, consultants, or other representatives) will be counted toward the campaign total.
- d. Unsolicited Gifts. Unsolicited gifts (including bequests, with qualifications) that are designated by the donor for the campaign or for projects consistent with the campaign case for support will be counted toward the campaign total.
- e. Cancelled or Unfulfilled Pledges. The value of any cancelled or unfulfilled pledge must be subtracted from campaign totals when it is determined that the pledge will not be realized.

VI. Acceptance and Crediting of Outright Gifts

- a. Cash
 - i. Acceptance Policy
 - 1. Gifts in the form of cash (including checks) shall be accepted regardless of amount unless, as in the case of all gifts, there is a question as to whether donors have sufficient title to gifted funds or are mentally competent to legally transfer funds to ORGANIZATION NAME as gifts. All checks should be made payable to ORGANIZATION NAME only; in no event should a check be made payable to an employee, agent, or volunteer for the credit of ORGANIZATION NAME.
 - ii. Crediting Policy
 - 1. Cash will be counted as of the date received.
- b. Publicly Traded Securities
 - i. Acceptance Policy
 - 1. Readily marketable securities shall be accepted. Gifted securities will be sold promptly. In no event shall an employee or volunteer working on behalf of ORGANIZATION NAME commit to a donor that a particular security be retained by ORGANIZATION NAME unless authorized to do so by ORGANIZATION NAME leadership.
 - ii. Crediting Policy
 - 1. Publicly traded stock will be credited at the mean market value on the date of surrender by the donor (not the value of the securities on the dates they are sold by ORGANIZATION NAME.)
- c. Illiquid Securities
 - i. Acceptance Policy
 - 1. Gifts of illiquid securities include hedge funds, private equity interests, and closely held securities. Typically, it is not possible to sell such securities immediately upon their having been gifted.

2. Such gifts will be reviewed carefully by the FUNDRAISING COMMITTEE and ORGANIZATION NAME leadership before they are accepted. Key considerations include the likelihood that the securities can be sold; whether the nature of the business(es,) practices of the gifting corporations or funds, or both are consistent with the ORGANIZATION NAME mission; and whether ORGANIZATION NAME could incur any unrelated business income tax.
- ii. Crediting Policy
 1. If accepted, gifts of closely held stock that exceed [\$10,000] in value should be counted at the fair market value placed on them by a qualified independent appraiser as required by the Internal Revenue Service.
 2. Gifts of closely held stock of [\$10,000] or less may be valued at the per-share cash purchase price of the most recent transaction (normally, this transaction is the redemption of the stock by the gifting corporation.) If no redemption has occurred during the reporting period, an independent certified public accountant who maintains the financial records for that corporation is qualified to value its stock.
- d. Real Estate
 - i. Acceptance Policy
 1. Proposed gifts of real estate will be reviewed by the FUNDRAISING COMMITTEE and will be subject to approval by ORGANIZATION NAME Leadership. In general, ORGANIZATION NAME will accept gifts of houses, residential condominiums, commercial property, and unimproved land if the properties are unencumbered, owned in fee simple, and the sales of which will yield proceeds sufficient to justify the necessary efforts.
 2. Unless stated otherwise by ORGANIZATION NAME leadership, gifts of real estate will be accepted with the intent that they will be sold as soon as possible.
 3. Prior to accepting any gift of real estate, ORGANIZATION NAME will obtain an appraisal from a qualified appraiser. It is preferable that the cost of the appraisal be borne by the donor, who may be able to receive a charitable deduction for doing so. However, the appraiser should have no business or other standing relationship with the donor. Due diligence concerning environmental issues shall be considered before ORGANIZATION NAME accepts any gift of real estate. This may involve conducting an environmental audit.
 - ii. Crediting Policy
 1. Gifts of real estate will be credited and recognized at their appraised value at the time they are gifted (not the sale price.)
- e. Tangible Personal Property

- i. Acceptance Policy
 - 1. Gifts of high-value tangible personal property may be accepted by ORGANIZATION NAME if the ORGANIZATION NAME leadership deems that the sale of such property may (i) be effected without undue burden and (ii) realize significant proceeds for ORGANIZATION NAME.
 - 2. The donor shall obtain an appraisal from a qualified appraiser who has no business or relationship with the donor. ORGANIZATION NAME will only accept a gift of tangible personal property with an appraised value of \$5,000 or more.
 - ii. Crediting Policy
 - 1. Gifts of tangible personal property will be credited and recognized at their appraised value at the time they are gifted (not the sale price.)
- f. Other Property
- i. Acceptance Policy
 - 1. Other types of property such as mortgages, notes, copyrights, royalties, and easements shall only be accepted at the recommendation of the FUNDRAISING COMMITTEE and with the approval of ORGANIZATION NAME leadership.
 - ii. Crediting Policy
 - 1. Gifts of other property will be credited and recognized at their appraised value at the time they are gifted (not the sale price.)
- g. Gifts-in-Kind
- i. Acceptance Policy
 - 1. Gifts-in-kind will be considered for acceptance and recognition if such gifts are eligible for charitable tax deductions under Internal Revenue Service standards.
 - ii. Crediting Policy
 - 1. In general, the monetary value of gifts-in-kind will only be credited if ORGANIZATION NAME leadership determines that such gifts can be converted to cash within a 90-day period or used by ORGANIZATION NAME in such a way that they liberate additional funds that are applied to other ORGANIZATION NAME project(s).
 - 2. Deep discounts or bargain sales can be credited if an individual or company provides a bill of sale clearly indicating the normal retail price that ORGANIZATION NAME would have paid the individual or company for the product (the “normal price” would reflect any discounts typically provided to ORGANIZATION NAME,) less the charitable contribution of the discounted amount, and a net cost.
 - 3. The value of gifts of “time” in the form of donated professional services will not be credited. A donor who wishes to donate professional services

should be encouraged to bill ORGANIZATION NAME for services rendered, and then make a gift in the amount in which they are paid by ORGANIZATION NAME.

VII. Acceptance and Crediting of Deferred and Planned Gifts

Acceptance and crediting policies regarding some of the most common deferred giving instruments are outlined below.

a. Bequests

i. Acceptance Policy

1. ORGANIZATION NAME will accept gifts in the form of bequests and recognize them appropriately, e.g. Joe Smith Circle
2. Suggested language for leaving a bequest to ORGANIZATION NAME: "I, [Donor Name], bequeath to ORGANIZATION NAME, located at ADDRESS [the sum of \$____/____% of the rest, residue, and remainder of my estate]. This bequest should be designated in support of [Name of Project/Campaign]."
3. In cases in which donors making testamentary gifts do not reference the precise names of projects supported by the gift, designation shall be determined by the FUNDRAISING COMMITTEE and ORGANIZATION NAME leadership.

ii. Campaign Crediting Policy

1. Irrevocable bequests: Will count towards the campaign total.
2. Revocable bequests: Only with the approval of the CEO, the Development Director, or the FUNDRAISING COMMITTEE chairs will a revocable bequest count in the campaign. ORGANIZATION NAME leadership, to the best of their ability, will look for and be guided by evidence of the following two factors: (1) A significant and established relationship between the donor and ORGANIZATION NAME such that would warrant a high degree of trust in a given donor's inclination to fulfill his or her bequest intention, and (2) Clear indication of a given donor's financial ability to fulfill his or her bequest intention.
3. Bequests will be discounted for age
 - a. Bequests from donors who are 72 years of age or older by DATE and provide supporting documentation will receive campaign credit at the full value of their bequest provisions.
 - b. Bequests from donors who are 65-71 years of age by DATE and provide supporting documentation will receive campaign credit at 75% of the value of their bequest provisions.

- ii. Campaign Crediting Policy
 1. The sum of all annual payments made by donors establishing lead trusts during the campaign time period or during the five-year pledge payment period following the campaign time period will be credited to the campaign.

VIII. Special Considerations and Policies Regarding Gifts Designated for Endowment

- a. “Nearest Practical Purpose” Endowment Agreement Clause. When entering into endowment agreements, there should be a shared understanding between donors and ORGANIZATION NAME that it is in the best interest of ORGANIZATION NAME and its mission to promote practices that permit the most flexibility in long-term planning, utilization, and investment. This flexibility is particularly important, for example, in cases in which programs supported by endowment are, by necessity, discontinued or otherwise become obsolete.
- b. Therefore, ORGANIZATION NAME will, in general, seek endowment gifts that least restrict the purpose, administration, and the investment of principal.
- c. With these concerns in mind, donors who give in support of endowment funds may be asked to review and consent to a written agreement clause stating that ORGANIZATION NAME may reallocate money from an endowment fund to the nearest practical purpose consistent with ORGANIZATION NAME mission. In all cases, no such reallocations will be attempted without the express consent of donors or their representatives.

IX. Recognition of Philanthropic Gifts

- a. Gift Acknowledgments. Gifts and pledges will be acknowledged with letters from ORGANIZATION NAME leadership and volunteers. Written acknowledgment will be mailed within five business days of gift or pledge receipt.
- b. Naming Opportunities. ORGANIZATION NAME does not offer naming opportunities in recognition of philanthropic gifts. Only with the approval of the Board of Directors and the CEO will a named opportunity be offered. In such case, a naming opportunity will be confirmed once a gift agreement is signed and receipt of first installment is confirmed.
- c. Matching Gifts. Matching gifts will be credited toward donors’ recognition levels.

X. Declining and Returning Gifts

The FUNDRAISING COMMITTEE and ORGANIZATION NAME leadership may decline or return gifts under certain conditions including, but not limited to, the following:

- a. Gifts that are restricted and would require support from other resources that are unavailable, inadequate, or may be needed for other institutional purposes.

- b. Gifts that are restricted and would support purposes or programs peripheral to existing principal purposes of ORGANIZATION NAME, or create or perpetuate programs or obligations which would dissipate resources or deflect energies from other programs or purposes.
- c. Gifts that could injure the reputation or standing of ORGANIZATION NAME or cause it to enter into activities that are in conflict with its mission.
- d. Gifts that could put at risk ORGANIZATION NAME tax-exempt status or trigger negative tax situations, such as unrelated business income tax.

Gifts may be returned to donors under certain conditions including, but not limited to, the following:

- e. Cases in which gifts are accepted but, upon further review by ORGANIZATION NAME leadership, are subject to concern.
- f. Cases in which ORGANIZATION NAME is unable to (or donors perceive that ORGANIZATION NAME is unable to) fulfill donors' philanthropic intentions.

XI. Policy Exceptions, Changes, and Additions

Any exception, change or addition to approved gift acceptance, credit, and recognition policies must be recommended by the FUNDRAISING COMMITTEE, and approved by the Board of Directors. Such exceptions, changes, or additions may include policies regarding the acceptance and crediting of gifts and gift instruments not outlined in this policy statement.