



Together hope grows.

GIFT ACCEPTANCE POLICY & GUIDELINES

As a 501 (c) 3 organization, Grief's Journey encourages the solicitation and acceptance of gifts that will help the organization further and fulfill its mission. The following policies outline the processes by which prospective gifts to the organization shall be accepted.

The mission of Grief's Journey is to provide excellent and compassionate grief support services, education, and professional training so that no one has to walk their grief journey alone.

I. Purpose of Policies

Grief's Journey may solicit current and deferred gifts from individuals, corporations, and foundations to secure its future growth and mission. These policies govern the process for the review of prospective gifts prior to acceptance by the organization. The type of the asset and the form of the proposed gift will affect the review process undertaken by the organization. These policies are also intended to guide prospective donors and their advisors when considering a gift to the organization. The provisions of these policies shall apply to all gifts to the organization for any of its programs or services.

II. Use of Legal Counsel and Avoiding Conflicts of Interest

A. The organization shall seek the advice of legal counsel in matters relating to the acceptance of gifts, when appropriate. Review by legal counsel is recommended for:

- Gifts of closely held stock that is subject to restriction or a buy-sell agreement;
- Gifts involving contracts or other documents requiring the organization to assume an obligation;
- Transactions with potential conflict of interest that may invoke IRS sanctions; and
- Other instances in which use of counsel is deemed appropriate by the CEO/Finance Committee.

B. The organization shall encourage donors to seek independent professional counsel to represent the donor's interests and to explore the alternatives, costs, tax benefits and obligations of potential gifts. The organization shall have no responsibility to provide and shall not provide technical, legal or tax advice to the donor or an analysis of the resulting tax and estate planning consequences to the donor.

III. Unrestricted and Restricted Gifts

The organization will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are not inconsistent with the organization's stated mission, purposes, policies and priorities. The organization will not accept gifts that are too restrictive in purpose or that are in conflict with the organization's values. Gifts that are too restrictive are those that are too difficult or costly to administer or value, or gifts that are for purposes outside the scope of the mission of the organization. The CEO and Finance committee will review restricted gifts.

IV. The Finance Committee

A. The Finance Committee will be appointed by the Board President and shall have as its members at least three persons with requisite knowledge and good judgment, including the CEO.

B. The Finance Committee is charged with the responsibility of reviewing extraordinary gifts (excluding unrestricted gifts of cash and unencumbered publicly traded securities.) The purpose of the review by the Finance Committee is to make recommendations to the CEO and Board of Directors.

C. The Finance Committee will not have authority to bind the organization contractually without express prior written authority from the CEO or the Board President in the absence of the CEO.

V. Types of Gifts

A. The organization will accept outright gifts of cash and unencumbered publicly traded securities.

B. Gifts of real or personal property other than cash and publicly traded securities or gifts in a form other than outright are subject to the review of the Finance Committee.

C. The following criteria guide the acceptance of each gift:

(1) *Cash and Publicly Traded Securities.* Cash and publicly traded securities are acceptable in any form. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Finance Committee. In some cases, marketable securities may be restricted by applicable securities laws; in such instance the Finance Committee will make recommendations on the acceptance of the restricted securities.

(2) *Tangible Personal Property.* The Finance Committee shall make recommendations on the acceptance of tangible personal property gifts. Gifts of tangible personal property shall be examined in light of the following criteria:

- a. Does the property fulfill the mission of the organization?
- b. Is the property marketable?
- c. Are there any undue restrictions on the use, display, or sale of the property?
- d. Are there any carrying costs or other liabilities for the property?
- e. Is the property's value ascertainable?

(3) *Closely Held Securities.* Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies or other ownership forms, may not be accepted without the review of the Finance Committee.

The Finance Committee shall review the facts and circumstances to determine the following:

- a. Are there any restrictions on the security that would prevent the organization from converting the security to cash?
- b. Is the security marketable?
- c. Will the security generate an undesirable tax consequence for the organization?

If potential problems arise on the initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on the acceptance of the closely held stock. The Finance Committee and legal counsel, if applicable, shall make a recommendation on the acceptance of closely held securities. Every effort will be made to sell non-marketable securities as quickly as possible.

(4) *Real Estate.* Gifts of real estate may include developed property and undeveloped property. All gifts of real estate interests must be evaluated and inspected by an authorized representative of the Finance Committee prior to acceptance. Such inspection shall include an initial environmental review of the property to ensure that

the property has no environmental liability or hazard. In the event that the initial inspection reveals a potential problem, the organization may retain a qualified inspection firm to conduct an environmental audit if the Finance Committee recommends further inspection. The cost of the environmental audit generally shall be at the sole expense of the donor. When appropriate, a title insurance binder shall be obtained by the organization prior to the acceptance of the real property gift. The cost of this title insurance binder generally shall be at the sole expense of the donor.

Prior to acceptance of real property, the following information should be provided by the donor:

- a. A map showing the location of the property
- b. A legal description of the property
- c. Proof of marketable title and ownership
- d. A registered land surveyor's survey of the property
- e. A list of improvements
- f. Copies of current leases and persons in possession, if any
- g. A list of encumbrances, including deed restrictions or covenants, liens/lis pendens and current expenses, if any
- h. A copy of current year's tax bill
- i. A notice of pending assessments
- j. Proof of payment of taxes, assessments, and association fees, if any
- k. A copy of title insurance policy or a recent title insurance commitment, including copies of all documents shown as exceptions to title on the report
- l. A recent appraisal or other acceptable valuation, which will be attached to the donor's IRS Form 8283
- m. A written statement from the donor identifying any known waste disposal sites or spills of hazardous waste material on the property, or a statement to the contrary
- n. A written statement from the donor outlining the purposes of gift, including gift restrictions, if any
- o. An Environmental Impact Study – Level 1 Environmental Impact Study and Audit and, if necessary, a Level 2 Study and Audit, with all costs to be borne solely by the donor

Prior to acceptance of the real property, the gift must be recommended by the Finance Committee and Board of Directors. Criteria for acceptance of the property shall include satisfactory answers to the following questions:

- a. Is the property useful for the purposes of the organization?
- b. Is the property marketable?
- c. Are there any restrictions, covenants, reservations, easements, or other limitations on use associated with the property?
- d. Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, associated with the property?
- e. Does the environmental audit reflect that the property has liability issues?

(8) Life Insurance.

- a. Gift of Policy. The organization must be named as both primary beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. A gift of a policy is valued at the interpolated terminal reserve value, or cash surrender value on the date of the

transfer of ownership. If the donor contributes future premium payments, the Organization will treat the amount of the additional premium 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 Organization may continue to pay the premiums, convert the policy to paid-up insurance or surrender the policy for its current cash value, as the Organization deems appropriate.

b. Designation as Beneficiary of Policy. Donors and supporters of the Organization may name the Organization as a primary beneficiary or a contingent beneficiary of life insurance policies. Such designations shall not be recorded as gifts to the Organization until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

(9) *Retirement Plan Beneficiary Designations.* Donors and supporters of the Organization may name the Organization as a beneficiary of an individual retirement account, a 401(k) account, a 403(b) account or other retirement plan. Such designations will not be recorded as gifts to the Organization until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

(10) *Bequests.* Donors and supporters of the Organization may make bequests to the Organization under wills and trust instruments. Such bequests will not be recorded as gifts to the Organization until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

VI. Miscellaneous Provisions

A. Securing appraisals and legal fees for gifts to the Organization. Generally, it will be the responsibility of the donor to secure an appraisal (where required), provide an environmental review (as appropriate) and retain independent legal counsel for all gifts made to the Organization.

B. Acknowledgment.

(1) Valuation of gifts. The Organization will acknowledge a gift on the date the gift is completed at the fair market value for federal gift tax purposes. The Organization will sign IRS Form 8283 as the recipient of a charitable gift as is required for a gift having a value in excess of \$5,000.

(2) Responsibility for IRS Filings upon sale of gift items. The Organization will file IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Organization when the value of the gift is more than \$5,000. The Organization must file this form within 125 days of the date of sale or disposition of the asset.

(3) Adherence to U.S. Treasury Regulations. The Organization will acknowledge all gifts made to the Organization for charitable purposes in accordance with the regulations issued by the United States Treasury Department.

C. Consultation with CPA and-or Review of Pertinent IRS Publications. The Organization will periodically review IRS Publication 561 *Determining the Value of Donated Property* and consult with its CPA regarding IRS regulations. <https://www.irs.gov/uac/about-publication-526>

VII. Changes to Gift Acceptance Policies

Changes to, or deviations from, the Gift Acceptance Policies may be made at the recommendation of the CEO and Finance Committee with the approval of the Board of Directors. All such changes shall be in writing.