

Vets Journey Home - Wisconsin, Inc.

Gift Acceptance Guidelines

(Approved by the Board of Directors – February 10, 2013)

I. GENERAL STATEMENT AND ORGANIZATIONAL MISSION

- A. Vets Journey Home - Wisconsin, Inc. (herein referred to as the "Organization"), a nonprofit, community-based organization that has tax-exempt status under the laws of the State of Wisconsin, encourages the cultivation, solicitation, and acceptance of gifts in support of its mission. The following guidelines govern acceptance of gifts made to the Organization.
- B. Organizing and providing weekend trainings in Wisconsin, and neighboring states, for Veterans and family members of Veterans, sponsored by the Vets Journey Home USA, Inc (a 501(c)(3) not for profit organization).

II. PURPOSE OF GUIDELINES

- A. Organization staff, board members, and volunteers who solicit gifts from individuals and/or grant-making or sponsoring organizations do so to secure the future growth and mission of the Organization. A primary purpose of these guidelines is the ethical as well as practical consideration of how best to promote the financial support of the Organization through charitable gifts that provide maximum benefit to both the Organization and its donors.

The Organization seeks gifts that:

1. Generate more benefit than cost to the Organization.
 2. Are unrestricted — or if restricted, are not restricted in a manner that is contrary to the stated goals of the Organization.
 3. Assist the Organization in actively fulfilling its mission.
- B. To optimize financial support from all funding sources, the Organization must be ready to respond quickly and positively to all gift proposals offered by prospective donors. It should be understood that, except where stated otherwise, these are guidelines only. Flexibility must be maintained to accommodate complex gift situations that may occur.
 - C. In addition, the Organization's Philanthropy Code of Ethics should be consulted in conjunction with these Gift Acceptance Guidelines, as the Code provides guidance in ethical decision-making applicable to the

acceptance of pledges and current and deferred gifts, online and offline solicitation strategies, and protection of donor privacy.

III. FUNDRAISING AND GIFT ACCEPTANCE PROCEDURES

- A. **Fundraising Purposes:** Gifts will be sought only for general operating support or for programs, projects or capital purposes approved by the Board of Directors and/or senior leadership.

- B. **Donor and Prospect Relations:** Relationships with all donors and prospects for current and deferred gifts will be coordinated by the Board of Directors and/or senior leadership. When appropriate, representatives of the Organization will urge donors to review, before a gift is made, the information on the benefits, limitations and tax implications of their gift with their own legal and financial representatives.

- C. **Donor Confidentiality and Privacy:** Prospect and donor information will be considered confidential to all but Philanthropy Department staff, volunteer leaders, and those who require it for the performance of their duties. The Organization is committed to the ethical collection, use, and distribution of such information as provided in the Philanthropy Code of Ethics. In the spirit of individual privacy, the Organization will never share, rent, or sell its donor, prospect, volunteer, or employee lists. The name, amount, or condition of a gift will be made public unless anonymity is requested.

- D. **Donor Recognition and Anonymity:** The donor of a gift will be publicly recognized in honor rolls and other instruments of stewardship unless anonymity is requested.

- E. **Giving Societies:** *{Note: There are two giving societies we should consider creating, but these can be added later when Board resolutions have been drafted and approved and when these guidelines are updated or appended.}*

- F. **Gift Acknowledgment:** A Organization donor will receive an acknowledgment letter of his/her gift from the Board of Directors and/or senior leadership with reasonable promptness. The acknowledgment will provide the donor with a statement of gratitude for the donation as well as the date, purpose, amount of the gift or a description of an in-kind gift, and any other information required by the Internal Revenue Code (IRC) or the Internal Revenue Service (IRS).

- G. **Honor or Memorial Gifts:** A gift made in honor or in memory of another individual will be recognized in the donor's acknowledgment letter.
- H. **Notification of Gifts:** When a donor wishes to have another party notified of his/her gift, the request will be honored. The dollar amount of the donor's gift, however, will not be divulged to the party being notified unless the donor requests it.
- I. **Credit for Planned Gifts:** All pledges and deferred (planned) gifts will be recorded according to current general accounting principles and practices and to the standards of the Federal Accounting Standards Board (FASB) as well as being counted in accordance with the recommendations of the National Committee on Planned Giving (NCPG).
- J. **Determining the Date of a Gift:** The date of a gift or pledge is assigned as follows:
1. Property physically delivered (e.g., cash, check, stock certificates in negotiable form, or pledge or recurrent gift form) will be assigned the date of receipt by Organization staff.
 2. Credit or debit card transactions made via the phone or via U.S. mail will be assigned the date on which they are entered into the credit card machine.
 - a. *Exception #1:* Checks and credit or debit card authorizations postmarked on or before December 31 of a specific year but not delivered by mail until the following year will receive a gift date based on the postmark date on the outer envelope per IRS rulings.
 - b. *Exception #2:* Credit or debit card authorizations made by telephone to Organization staff and documented on the appropriate donation forms on or before December 31 of a specific year but not electronically posted until the following year will receive a gift date based on documented date of the donor's telephone call per IRS rulings.
- K. **Restricted Funds:** A gift designated for a specific purpose will be considered a *restricted* gift. The Organization reserves the right to decline such gifts when they do not meet the needs or standards as noted within these guidelines.

- L. **Retention of Advisors:** The Organization may pay reasonable fees to advisors it retains in connection with the evaluation and/or completion of a gift to the Organization. Fees will be paid only with prior written approval of the Board of Directors.
- M. **IRS Audits and Investigations:** The Organization will cooperate fully in all matters related to IRS audits and investigations of charitable gift deductions.

IV. CONSIDERATION OF GIFTS BY THE BOARD OF DIRECTORS

- A. In some instances, the merits of a particular gift may require consideration by the Board of Directors. The Board will decide upon and accept or reject any Organization gift that is an exception to standard criteria for acceptance.
- B. Review by the Board of Directors is recommended for, but not limited to:
 - 1. Gifts of real estate, closely-held stock, or stock subject to restrictions or buy-sell agreements.
 - 2. Gifts involving contracts or other documents requiring that the Organization assume an obligation or subjecting the Organization to liability.
 - 3. Documents naming the Organization as trustee.
 - 4. Transactions with potential conflict of interest or other terms that may invoke scrutiny or sanctions by the IRS.
 - 5. Other instances in which review by the Board of Directors is deemed appropriate by the Executive Director or the President.

V. CURRENT (OUTRIGHT) GIFTS

- A. **Cash:** Cash gifts are acceptable in any form (i.e., cash, check, or debit or credit card) and in any amount unless, as in the case of all gifts, there is a question as to whether the donor has sufficient title to the assets or is mentally competent to make a gift to the Organization. Checks must be made payable to Vets Journey Home. Checks should not be made payable to an employee, agent, or volunteer of the Organization. In the rare instance in which this happens, the check should be endorsed by the Organization employee, agent, or volunteer and submitted to the Organization.
- B. **Pledges:** A pledge is a written financial commitment to the Organization with *specific beginning and end dates*. The donor must

complete, sign and date an Organization pledge form. A *verbal* pledge will be recorded only after the donor confirms the pledge by completing the pledge form. If the form is not used, then the donor must provide in writing to the Organization the amount of the pledge, the purpose, the payment period and schedule, the date, and his/her signature.

- C. **Recurring Gifts:** A recurring gift is an ongoing financial commitment to the Organization with *a beginning but no specific end date*. The donor must complete, sign and date an Organization recurring gift form. If the form is not used, then the donor must provide in writing to the Organization the amount of the recurring gift, the purpose, the payment schedule, the date, and his/her signature. No time limit is imposed on recurring gifts.

D. **Publicly-Traded Securities**

1. The Organization accepts publicly-traded securities.
2. In most cases, publicly-traded securities will be immediately sold by the Organization. In no event will an Organization employee or volunteer working on behalf of the Organization commit to a donor that a particular security will be held by the Organization unless authorized to do so by the Board of Directors.
3. If an individual or his/her broker indicates a willingness to donate publicly-traded securities, the donor or broker should contact the Director of Philanthropy to receive a copy of the instructions for stock gift transfers. The director will also identify the Organization broker of record.
4. The value of the gift will be the average of the high and low prices at which the stock traded on the date of the gift.

E. **Closely-Held Securities**

1. Securities of non-publicly-traded companies (including LLPs and LLCs) cannot be accepted since the Organization is not an institutional investor.

F. **In-Kind (Non-Cash) Gifts**

1. All in-kind gifts of tangible personal property (such as equipment, collectibles, jewelry, artwork, or antiques) must first be presented to and approved by the Board of Directors and/or senior leadership before the gift can be accepted by or delivered to the Organization.

2. Only the Board of Directors may represent to a donor that property will be held by the Organization for a specific period of time or for purposes related to its tax-exempt status. Donors will be notified at the time of receipt of a gift that the Organization will, as a matter of corporate policy, cooperate fully in all matters related to IRS investigations and valuations of in-kind charitable gifts.
3. No personal property will be accepted that obligates the Organization to ownership of it in perpetuity. No perishable property or property that will require special facilities or security to properly safeguard will be accepted without prior approval by the Board of Directors.
4. In-kind gifts that are intended to be sold as items of a *silent auction, a drawing, or other special event activity* sponsored by the Organization must first be presented to and approved by the Director of Communications before the gift can be accepted by or delivered to the Organization.
5. Where an appraisal of an in-kind gift may be required for its valuation, the donor will assume the responsibility of securing the appraisal.
6. Acknowledgment to the donor for a gift of tangible personal property will provide a detailed description of the property, but not the value.

G. Real Estate

1. Real estate gifts will be accepted only on approval by the Board of Directors after consideration of such matters as location, marketability, possible environmental hazards, and any other relevant concerns specific to the property offered.
2. A donor must furnish the Organization with an independent appraisal of the real estate property, with the cost of the appraisal to be assumed by the donor.
3. Proposed gifts of real estate must have a fee simple title insured in a reasonable amount by a reputable title insurance company, with the cost of the title search and policy assumed by the donor.
4. The Board of Directors will require that an environmental audit, inspection or impact study be made of any real estate being considered as a gift to the Organization. The Board will not accept any gift that would expose the Organization to the expense of cleanup or litigation that may result from the acceptance of such property. Cost of the audit, inspection, or study will be assumed by the donor, and the party conducting the inspection or study will be selected by the Organization.

5. The Board of Directors may waive any of the above conditions if other factors warrant accepting valuable real estate.

H. Other Property

1. Other property of any description including secured and unsecured notes, copyrights, patents, royalties, easements, whether real or personal, will only be accepted on approval by the Board of Directors.
2. Appropriate inquiry will be made and special consideration given to the nature of any gift and whether it is in keeping with the mission of the Organization.

VI. DEFERRED (PLANNED) GIFTS

A. Bequests

1. Organization donors and prospects are encouraged to make bequests (gifts through wills and trusts) of all kinds (fixed or percentage, residual, contingent or testamentary trusts) to the Organization as part of their estate plans.
2. Bequests will not be recorded as gifts to the Organization until such time as the gift is irrevocable. If a donor notifies the Board of Directors and/or senior leadership that his/her bequest 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.
3. In the event of inquiry regarding a bequest, representation as to the future acceptability of property proposed to be left to the Organization in a will or through any other deferred gift arrangement will only be made in accordance with the terms and provisions of these guidelines.
4. Gifts from the estates of deceased donors consisting of property that is not acceptable will be rejected only by action of the Board of Directors. Legal counsel for the Organization will expeditiously communicate the decision to the legal representatives of the estate.
5. Appropriate attempts will be made to discover bequest expectancies wherever possible in order to note whether a situation exists that could potentially lead to unpleasant donor relations at some future date. Intended deferred gifts should be brought to the attention of the Board of Directors and/or senior leadership, who will review the information and, if necessary, encourage the donor involved to engage his/her legal and/or financial advisor(s) to discuss how to

best modify the bequest so that it conforms to these Gift Acceptance Guidelines.

B. Charitable Remainder Trusts

1. Charitable remainder trusts are encouraged as a method of making gifts to the Organization while retaining income that may be needed by the donor or his/her beneficiary.
2. Board of Directors and/or senior leadership staff and volunteer solicitors should become familiar with the basics of charitable remainders trusts and always encourage a donor to discuss the details and tax implications of any estate or planned gift with his/her legal and/or financial advisor(s).

C. Charitable Gift Annuities

1. The Organization has established a program to encourage and accept charitable gift annuity contracts, including deferred payment gift annuities, from motivated donors who wish to give while retaining the right to receive payments.
2. The Organization will accept charitable gift annuities *only* to individuals who are residents of the State of Wisconsin.
3. If a non-Wisconsin resident desires to establish a charitable gift annuity on behalf of the Organization, the Board of Directors must approve it.
4. The minimum contract amount is \$10,000.
5. The maximum in annuity contracts per annuitant or per couple is \$50,000 of annual income payments, unless the Board approves a higher amount.
6. Income recipients must be at least age 60 when payments begin.
7. Donors must be at least age 55 to establish deferred payment gift annuities.

D. Other Planned Giving Vehicles: As part of the its planned giving program, the Board of Directors and Philanthropy Department staff may also consider:

1. Charitable lead trusts.
2. Life insurance policies.
3. Life estate gifts.
4. Remainder interest in a personal residence or farm.
5. Bargain sales.

VII. ENDOWMENT GIFTS

- A. An endowment gift may be made by a current or an estate or planned gift, subject to endowment policies established by the Board of Directors.
- B. All unrestricted estate and planned gifts when received will be allocated to the General Endowment, unless determined otherwise by the Board of Directors.
- C. If a donor wishes to restrict his/her endowment gift to a new endowment fund, he/she must seek and obtain prior acceptance of the restriction by the Board of Directors. Both parties should clearly understand what is expected from the donor and the Organization.
- D. Considerations for a restricted endowment fund include:
 - 1. The purpose of the restriction is consistent with the mission of the Organization.
 - 2. To be established, the restricted endowment fund must meet any minimum amount set by the Board of Directors.
 - 3. Once established, the restricted endowment may be augmented by gifts from other donors with similar interests.
 - 4. Should the purpose for which the endowment fund was established cease to exist, the Organization may re-allocate the principal to the General Endowment or to another restricted endowment.

VIII. MISCELLANEOUS

- A. The Organization’s Gift Acceptance Guidelines may be revised from time to time by the Board of Directors.
- B. The Board reserves the right to accept or reject any gift in its sole discretion without recourse by any donor.

Signature _____ Date _____

Name (please print) _____