

## NONVIOLENT PEACEFORCE

### GIFT ACCEPTANCE POLICY

September 2020 \_ v3

#### I. Introduction

Nonviolent Peaceforce (NP) solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. To protect the interests of NP and the individuals and entities which support its programs, this policy is designed to assure that all gifts to NP are checked to provide maximum benefits to both parties. This document will focus on both current and deferred gifts, with special emphasis on various types of deferred gifts and gifts of non-cash property. The goal is to encourage funding of NP without encumbering the organization with gifts which may prove to generate more cost than benefit, or which are restricted in a manner that is not in line with the goals of NP.

#### II. Purpose

This policy governs the acceptance of gifts by NP. Its provisions shall apply to all gifts received by NP for any of its programs or services and should include all entities which could offer funding to NP such as private donors but also foundations and corporations. It should ensure that adequate care and consideration is employed in evaluating opportunities, assessing risks, dealing with complexities, and determining best use of gifts to maximize the benefit to NP.

All gifts offered to NP shall be evaluated within the following guiding principles:

- In accepting a gift, NP accepts the responsibility to the donor to steward the gift properly. This includes administering the gift properly, providing the donor with accurate, timely financial information about the gift and, when appropriate, reporting to the donor about the use of the gift.
- NP acknowledges all gifts and donations in a manner that respects and honors the donor.
- Donations of gifts for unrestricted, general purposes are encouraged because of the flexibility they provide to NP.
- NP does not provide legal, accounting, tax, or other such advice to donors. Each donor is ultimately responsible for ensuring their proposed gifts meet and further their charitable, financial, and estate planning goals. Each donor is encouraged to meet with a professional advisor before making gifts to NP.
- NP reserves the right to not accept any gifts, including but not limited to:
  - Those that are offered for purposes inconsistent with the mission of NP.
  - Those from which NP will realize little or no financial gain compared to the cost for NP or which will incur a too high level of administration cost for NP.
  - Those which would not be in the best interest of the donor or gifts that might be inappropriate in light of the donor's personal or financial situation.

Final decision-making on the acceptance or rejection of non-routine gifts, including terms and conditions, administration, and best use should be made by a Gift Acceptance Committee. NP will seek the advice of legal and tax counsel and other professional expertise as appropriate in evaluating gifts, assessing and addressing risks and potential issues, determining best use, and facilitating complex administrative matters.

### III. Policy

#### Gift Acceptance Committee

It is recognized that certain gifts should not be routinely processed but should be reviewed by a Gift Acceptance Committee (GAC). The following staff should be members of such committee:

- Chief Financial Officer
- Executive Director
- Director of U.S. Office or Director of Development (for the USA) or Fundraising Manager (for Europe)

The Gift Acceptance Committee is responsible for evaluating gift proposals, resolving questions about proposed gifts. The types of gifts that may be referred to the Gift Acceptance Committee include, but are not limited to, the following:

- Gifts of real estate as defined further in this policy
- Gifts of non-routine tangible personal property
- Gifts of non-publicly traded securities, including stock in closely-held companies
- Trusts or annuities
- Gifts from private donors, where the origin of the gift is uncertain

As staff to the Gift Acceptance Committee, the Director of Development (or the Fundraising Manager for Europe) is responsible for convening the Committee as needed, ensuring that the Committee has the information and background required for decision making, and informing others of the decisions of the Committee. In light of the time-critical nature of gift negotiations, special effort should be made to ensure that the Committee acts promptly on proposed gifts.

To ensure timely convening, the Gift Acceptance Committee is empowered to meet remotely via telephone (or skype, WhatsApp or similar) as needed. The Director of Development (or Fundraising Manager) is responsible for maintaining accurate minutes of such meetings and ensuring that these are made available to other members of the committee for review on a quarterly basis.

### IV. Types of Gifts

#### *A. The following gifts are acceptable and will be processed routinely:*

1. Cash (includes checks, credit cards, currency, EFTs) from private donors & well-known sources
2. Matching Gifts from private donors & well-known sources
3. Workplace Giving from corporations that have passed corporate due diligence
4. Publicly traded Securities (includes stocks and bonds) in line with NPs mission

#### *B. The following criteria govern the acceptance of each gift form:*

1. Cash is acceptable in any form. Checks can be made payable to NP and delivered to the U.S. office in St. Paul, MN or to headquarters in Geneva, Switzerland.
2. Matching Gifts will be accepted by NP when the corporation has been cleared by the NP due diligence check and when a sponsoring gift has been received from the donor. Sponsoring donors will not receive a receipt from NP for the matched gift from the corporation; the corporation will receive the receipt.

3. Workplace Giving (e.g., United Way) will be accepted by NP when the corporation has been cleared by the NP due diligence check and. These donors will receive receipts from the receiving organization, such as United Way, and will receive recognition-only credit from NP.

4. NP can accept both publicly traded and closely held securities.

Publicly Traded Securities: Marketable securities may be transferred to an account maintained by NP's brokerage firm or delivered physically with the transferor's signature or stock power attached. As a rule, all marketable securities shall be sold upon receipt. In some cases, marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Gift Acceptance Committee.

Gifts of publicly traded securities will be valued by taking the average of the low and high values of the trading day on which the stock was transferred to NP's brokerage firm.

#### Closely Held Securities

1. Non-publicly traded securities may only be accepted after approval of the gift acceptance committee.
2. Such securities may be subsequently disposed of only with the approval of the Gift Acceptance Committee.

#### C. Real Property

1. No gift of real estate shall be accepted without prior approval of the Gift Acceptance Committee.
2. No gift of real estate shall be accepted without first being appraised by a party chosen by NP that shall have no business or other relationship to the donor. All costs associated with appraisal will be the responsibility of the donor.
3. In general, residential real estate with a value estimated at \$50,000 or greater will be accepted, unless the gift acceptance committee determines that the property is not suitable for acceptance as a gift.
4. In general, residential real estate will not be accepted as a gift unless it appears to have a value more than \$50,000 and there is reason to believe it is highly marketable.
5. No commercial real estate shall be accepted by anyone on behalf of NP without subsequent approval of the Gift Acceptance Committee.
6. Real estate shall not be accepted to fund a charitable gift annuity without seeking an opinion as to the permissibility of this action under the laws of the state(s), province(s) or country involved and approval by the Gift Acceptance Committee.

#### D. Tangible Personal Property

1. Jewelry, artwork, collections, and other personal property shall not be accepted unless the employee, agent or volunteer working on behalf of NP shall have reason to believe the property has a value in excess of \$2,000.00. Such property can only be accepted by the Gift Acceptance Committee or such other person or persons authorized to do so by the Gift Acceptance Committee. Such authorization must be formalized in writing and must be approved by a quorum of members of the committee, being a simple majority of members.
2. No personal property shall be accepted by NP unless there is reason to believe the property can be quickly disposed of. No personal property shall be accepted that obligates NP to ownership of its use in perpetuity. No perishable property, or property which will require special facilities or security to properly safeguard, will be accepted without prior approval of the gift acceptance committee.
3. Notwithstanding the foregoing, if there is reason to believe personal property has a value of \$2,000.00 or more, it may only be accepted after receipt and review by the Gift Acceptance Committee or those empowered to act on its behalf, of an appraisal qualified under terms of the internal revenue code governing gifts of property of this type.
4. Only the Gift Acceptance Committee or persons authorized by the gift acceptance committee to do so may represent to a donor that property will or will not be held by NP for a requisite period of time or for purposes related to its tax-exempt status. Donors should be notified at the time of receipt of a gift that NP

will, as a matter of corporate policy, cooperate fully in all matters related to IRS or CRA investigations of non-cash charitable gifts.

### E. Deferred Gifts

**Bequests:** Donors and supporters of NP are encouraged to make bequests to the organization through their wills and trusts. NP can be named as a charitable beneficiary for a specific bequest, a residual bequest, or a contingent bequest in a donor's will or trust document. However, NP will not accept appointment as Personal Representative of a donor's estate or as or Successor Trustee for a living trust.

In addition, the Gift Acceptance Committee will review all testamentary gifts of real estate and non-routine tangible personal property prior to acceptance, in accordance with the policies outlined above.

**Charitable Remainder Trusts:** In general, NP will not serve as sole trustee of a charitable remainder trust for the benefit of the institution. This policy may only be waived by a written resolution of the Gift Acceptance Committee, which is subsequently approved by the finance committee of the board of directors of NP.

**Charitable Gift Annuities (CGA):** At the writing of this policy, NP does not have any charitable gift annuities. A charitable gift annuity is a contract between an organization and the donor, whereby the donor makes an initial payment of cash or marketable securities to a charity and the charity agrees to pay the donor an annuity for the remainder of his/her lifetime. When/if the Gift Acceptance Committee determines it would be beneficial to establish a CGA program, agreements shall be issued for one or two beneficiaries. The minimum donation for a charitable gift annuity is \$10,000 for one beneficiary and \$20,000 for two beneficiaries. The minimum age for life income beneficiaries of a gift annuity shall be 70. There is no maximum age. Deferred charitable gift annuities can be issued with a maximum deferral period of 5 years, with a minimum age of 70 at the time the gift agreement is signed. Each contract will be issued for one life.

**Retirement Plan and Life Insurance Beneficiary Designations:** Donors are encouraged to name NP as beneficiary of their retirement plans, including Individual Retirement Accounts (IRAs), qualified pension and profit-sharing plans, and life insurance policies. To make a gift of retirement plan assets or life insurance policy, donors need to complete and send a new beneficiary designation to their insurance company or retirement plan administrator. NP may accept irrevocable gifts of life insurance policies, which generally do not require approval by the Gift Acceptance Committee. A donor may transfer ownership of any life insurance policy, whether 'paid up' or with premium payments remaining. In general, only whole or universal life policies are accepted if they have a cash value. If premium payments remain to be made, the donor must agree to continue making the payments. The entire amount of the additional premium payment is receipted as a gift. If the donor elects not to continue to make gifts to pay the premiums, the Gift Acceptance Committee will decide whether to continue to pay premiums or surrender the policy for its current cash value.

### F. Gifts from & Partnerships with Corporations

#### Gifts from Companies

Cash or in-kind donations from Corporations below \$10'000 where no compensation from NP is requested, can be accepted as per above police. For gifts higher than \$10'000, a separate background check as indicated in the "Corporate Partnerships Policy" should be conducted.

#### Partnerships with Companies

Partnerships with Corporations that require compensation from NP (such as use of logo, communication work by NP, etc.) a separate background check should be conducted no matter the amount of the partnership.

*G. Grants from Foundations*

Grants from Private & Public Foundations

Before soliciting or accepting grants from private or public foundations, the foundation as well as their funding streams should be checked against NP's mission and above policy.

Grants Corporate Foundations

Before soliciting or accepting grants from corporate foundations, the corporation funding the aforementioned foundation should be analyzed through the separate background check mentioned in the "Corporate Partnerships Policy".

**As the gifting environment evolves, NP will be open to adding other gifting formats.**

NP/ma/kb  
September 21<sup>st</sup>, 2020