

# Gift Acceptance Policies

## OVERVIEW STATEMENTS

### PURPOSE OF POLICIES AND GUIDELINES

These policies and guidelines govern the acceptance of gifts by the Foundation and provide guidance to staff and Board members in their discussions with prospective donors and their advisors. The provisions of these policies shall apply to all gifts received and accepted by the Foundation for its purposes or services.

### SUPERVISION AND DELEGATION

The Board of Directors of the Foundation has adopted these policies. The Finance Committee, established by the Board of Directors (Board), is the delegated authority to supervise gift acceptance policies and procedures. The Board reserves to itself the exclusive right to amend or revise these policies.

### FINANCE COMMITTEE

The Finance Committee is charged with general oversight responsibility for review of gifts made to the Foundation, properly screening and accepting gifts identified as requiring Board approval, and making recommendations to the Board on gift acceptance policies and issues as they arise, when appropriate. It shall be the responsibility of the Finance Committee:

1. To oversee the overall implementation of the Foundation's gift acceptance policies and procedures by Foundation's staff and outside advisors;
2. To grant exceptions as permitted in these policies and recommend changes in approved policy, guidelines, and objectives as needed; and
3. To execute such other duties as maybe delegated by the Board of Directors.

### USE OF LEGAL COUNSEL

The Finance Committee, through approval of the Board, is specifically authorized to retain legal counsel in matters relating to acceptance of gifts when appropriate and on a case by case basis. In discharging this authority, the Finance Committee may act in the place and stead of the Board and may receive reports from, pay compensation to, enter into agreements with, and delegate discretionary authority to use such advisers.

## ETHICS IN RECEIVING GIFTS

The Board authorizes the acceptance of gifts for research, education, outreach and general purposes where:

- There is genuine intention to donate;
- The donor may be encouraged to seek personal counsel on legal and financial matters; and
- The gift is in the best interest of both parties.

The Board does not authorize the acceptance of gifts that would jeopardize the financial, legal or moral integrity of the Foundation.

## DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organizations governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers. The text of this statement in its entirety was developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Health Care Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP), and adopted in November 1993.

### **A: Philanthropic Experience**

1. Clearly and specifically display and describe the organization’s identity on the organization’s website;
2. Employ practices on the website that exhibit integrity, honesty and truthfulness and seek to safeguard the public trust.

### **B: Privacy and Security**

1. Seek to inspire trust in every online transaction;
2. Prominently display the opportunity for supporters to have their names removed from lists that are sold to, rented to or exchanged with other organizations;
3. Conduct online transactions through a system that employs high-level security technology to protect the donor’s personal information for both internal and external authorized use;
4. Provide “opt in” and “opt out” mechanism to prevent unsolicited communications or solicitations by organizations that obtain email addresses directly from the donor. Should lists be rented or exchanged, only those verified as having been obtained through donors or prospects “opting in” will be used by a charity;
5. Protect the interests and privacy of individuals interacting with their website;
6. Provide a clear, prominent and easily accessible privacy policy on its website telling visitors, at a minimum, what information is being collected, how this information will be used and who has access to the data.

### **C: Disclosures**

1. Disclose the identity of the organization or provider processing an online transaction;
2. Guarantee that the name, logo and likeness of all parties to an online transaction belong to the party and will not be used without express permission;
3. Maintain all appropriate governmental and regulatory designations or certifications;
4. Provide both online and offline contact information.

### **D: Complaints**

1. Provide protection to hold the donor harmless of any problem arising from a transaction conducted through the organization’s website;
2. Promptly respond to all customer complaints and employ best efforts to fairly resolve all legitimate complaints in a timely fashion.

## **E: Transactions**

1. Ensure contributions are used to support the activities of the organization to which they were donated;
2. Ensure that legal control of contributions or proceeds from online transactions are transferred directly to the charity or expedited in the fastest possible way;
3. Companies providing online services to charities will provide clear and full communication with the charity on all aspects of donor transactions, including the accurate and timely transmission of data related to online transactions;
4. Stay informed regarding the best methods to ensure the ethical, secure and private nature of online ePhilanthropy transactions;
5. Adhere to the spirit as well as the letter of all applicable laws and regulations, including, but not limited to, charity solicitation and tax laws;
6. Ensure that all services, recognition and other transactions promised on a website, in consideration of gift or transaction, will be fulfilled on a timely basis;
7. Disclose to the donor the nature of the relationship between the organization processing the gift or transaction and the charity intended to benefit from the gift.

## **RESTRICTIONS ON GIFTS**

The Foundation will accept restricted gifts provided that such gifts are consistent with its stated mission, purposes and priorities. Restricted gifts for research will be subject to an administrative and management fee of 12% of the total gift.

The Finance Committee will make all final decisions on the restrictive nature of a gift and its acceptance or refusal.

## **VALUATION OF GIFTS**

All gifts are valued in accordance with IRS regulations, sound accounting principles and guidelines promulgated by the National Committee on Planned Giving. Full responsibility rests on the donor for claiming any deductions including filing IRS Form 8283 (Noncash Charitable Contributions) and any appraisals or other documentation. Full responsibility also rests on the donor for the value given to tangible personal property or services, and donors will be expected to give the Foundation a written statement of value for these types of gifts.

## GIFT ACCEPTANCE POLICIES

The following assets are acceptable as described, as outright gifts or as bequests or estate gifts, unless noted otherwise.

### **1. Cash:**

Cash is acceptable with payment by check or credit card in U.S. dollars or in foreign currency.

### **2. Publicly Traded Securities:**

Stocks and bonds that are traded regularly on national or local exchanges or in the over-the-counter market are acceptable. Federal Government bonds cannot be transferred during lifetime, but such bonds can be included as a bequest to the Foundation.

### **3. Charitable Contributions of Non-Public Companies:**

Privately held companies include sole proprietorships, general and limited partnerships, certain C corporations, S corporations, and limited liability entities. Contributions of stock from these entities can trigger unrelated business income tax for the Foundation. Nevertheless, the Foundation will consider acceptance of such gifts when its legal counsel deems the value of the gift will compensate for any tax consequences or other liabilities. The Finance Committee will make the final determination on the acceptance of all tangible property gifts.

### **4. Tangible Personal Property:**

Common types of tangible personal property contributed to charities include artworks, jewelry, gems and other collectibles; business inventory or equipment; and motor vehicles, watercraft and aircraft. Conditions for accepting gifts of tangible personal property include salability or usability by the Foundation. When the property can be used by the charity for its exempt charitable functions, donors are entitled to a full market value deduction. Otherwise, the deduction is limited to the cost basis.

- Does the property present financial or legal considerations that are burdensome to the Foundation?
- Is the property marketable?
- Are there any undue restrictions on the use, display or sale of the property?

The Finance Committee will make the final determination on the acceptance of all tangible property gifts.

## **5. Intangible Personal Property:**

Common types of intangible personal property given to charities include securities, life insurance, copyrights, patents, royalties and partnership interests. The Foundation will accept gifts of intangible personal property when the Foundation deems the value of such gifts compensates for any liabilities incurred. The Finance Committee will make the final determination on the acceptance of all tangible property gifts.

### *Life Insurance:*

- Paid-up life insurance policy gifts in which the Foundation is named the owner and irrevocable beneficiary are acceptable. The Finance Committee will consider the donative intent of the gift to determine whether to cash in the policy or hold it for a future use.
- Gifts of non-paid up policies naming the Foundation as owner and irrevocable beneficiary are acceptable when the donor does not want to pay the remaining premiums as long as the donor understands the Foundation may cash in the policy. If the donor wishes to continue paying the premiums, he/she must consult with the Foundation on an agreement regarding payment.
- There are no tax advantages to assigning ownership of term life insurance to the Foundation; but the Foundation can be named as beneficiary of a term life insurance policy.
- The Foundation will not accept gifts of life insurance that are encumbered by loans.
- State laws can impact gifts of life insurance. Therefore, the Foundation will consult with appropriate professionals as necessary and donors are encouraged to do so as well.

## **6. Real Estate:**

Examples of real property include raw land, residential property, property held for investment, commercial property and agricultural property. All gifts of real estate are to be approved by the Board of Directors.

- Current gifts of mortgage-free real estate are acceptable as an outright gift, a gift in a bequest, or as a gift with a retained use.
- A gift of a personal residence or farm with a retained right to the use of property is acceptable. A term of use is specified in the gift agreement.
- Appraisals of all gifts of real estate are the responsibility of the donor. The Foundation will have a thorough examination of the property to include an environmental audit.

## **7. Retirement Plans:**

Because current law does not allow tax-free lifetime transfers from a retirement plan to a charitable organization the Foundation encourages donors to include gifts of retirement plan proceeds in their charitable bequests, with advice from estate planning professionals. If a donor takes a distribution from a retirement plan and gives the cash to charity, the distribution amount will have to be reported on the donor's income tax return. A charitable income tax deduction, however, will likely offset the income tax.

## **8. Beneficiaries of Charitable Annuities, Trusts or Other Irrevocable Gift Instruments:**

The Finance Committee will approve all beneficiary gifts of charitable annuities and trusts to assure that no gift restrictions prevent such acceptance.

## **9. Beneficiary Designations of Bequests, Life Insurance, Retirement Plans and Other Revocable Gift Instruments:**

The Foundation encourages beneficiary designations and will accept such gifts unless restricted purposes are in contradiction of the Foundation's mission and purposes.

## **PLEGGED GIFTS**

Pledged gifts that will be fulfilled with gifts of cash or securities are acceptable. The donor must submit the signed Pledge Form or other document stipulating the amount of the pledge and when the pledge will be fulfilled.

*(The following are recommended additions to the Gift Acceptance Policies for Pledged Gifts)*

Adapted from Campaign Standards, Management and Reporting Standards for Educational Fund-raising Campaigns, Council for Advancement and Support of Education (CASE), 1994. It is recommended that the complete Campaign Standards be accepted as an approved policy of CurePSP.

- 1. Oral Pledges:* Oral pledges should not be reported in campaign totals. On the rare occasion when special circumstances may warrant making an exception, the President should write to the individual making an oral pledge to document the commitment, place a copy of the written commitment in the donor's file (and e-file), and gain specific written approval from a gift acceptance committee (such as the Major Gifts Committee) made up of institutional and volunteer representatives.
- 2. Pledges of Cash:* Pledges of cash should be written and should commit to a specific dollar amount that will be paid according to a fixed time schedule. The pledge payment period, regardless of when the pledge is made, should not exceed five years. Therefore, a pledge received even on the last day of the campaign is counted in campaign totals and may be paid over a five-year period.

3. *Pledge Forms:* Every campaign requires pledge forms, although early in the campaign before the campaign material has been printed, it is common and acceptable to use “letters of agreement.” Printed pledge forms are generally used for most of the campaign gifts. The pledge form usually incorporates two types of information—information that instructs and assists the donor, and information that is received from the donor.

4. *Information for the donor includes:*

- a. a purpose statement of the goals or aims of the campaign
- b. information about required gift size for being listed in the “honor roll of donors”
- c. sample payment schedule for the pledge period and payment options for the campaign
- d. giving levels and giving categories, societies or clubs, if relevant
- e. specific information about how checks should be made out
- f. instructions for gifts or securities
- g. address, phone, email of the organization

5. *Information from the donor includes:*

- a. Total amount of the pledge
- b. Number of years over which the gift will be paid reminder notice schedule preference
- c. date and year of first payment
- d. information about employer’s matching gift program, if any
- e. information about how the donor wishes to be acknowledged
- f. printed name and signature
- g. date
- h. address
- i. phone number and email

The most effective pledge cards are large enough to accommodate all of the information listed above without looking crowded and confusing. The donor information space and signature line should be large enough so that someone can fill it out easily and legibly. It should also be flexible enough to be folded and enclosed with a letter in a standard #10 envelope.



An example of Pledge Form is as follows:

### CUREPSP GENETICS PROGRAM PLEDGE FORM

Yes, I (We) want to support the CurePSP Genetics Program

The goal of the CurePSP Genetics Program is to search the entire genome for genes related to PSP and CBD and to identify previously unsuspected abnormal biochemical pathways against which scientists may be able to target therapeutic interventions. All activities will be carried out by the PSP Genetics Consortium, composed of neurologists, geneticists, and other scientists from the United States, the United Kingdom and Germany working in collaboration with neuroscientists throughout the world.

#### DONOR INFORMATION:

Last Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home phone \_\_\_\_\_ Business Phone \_\_\_\_\_

Email \_\_\_\_\_

#### PLEDGE INFORMATION:

I/(We) hereby contribute cash and/or assets to CurePSP for the CurePSP Genetics Program.

I/(We) pledge a total of \$ \_\_\_\_\_ Amount enclosed \$ \_\_\_\_\_ Remainder pledged \$ \_\_\_\_\_

I/(We) wish to have this donation spread over  1  2  3 year(s)  Other \_\_\_\_\_

Please bill me beginning \_\_\_\_\_ and thereafter  monthly  quarterly  yearly

Other \_\_\_\_\_

#### CONTRIBUTION TYPE:

I/(We) plan to make our contribution in the form of:  cash  check  charge  stock  property

If charge, please charge my credit card:  Visa  MasterCard  Other \_\_\_\_\_

Credit card number \_\_\_\_\_ Expiration date \_\_\_\_\_

Authorized signature \_\_\_\_\_

My gift will be matched by \_\_\_\_\_ Company/Family/Foundation

Matching gift form enclosed  Matching gift form will be forwarded to CurePSP

#### DONOR RECOGNITION:

Donors may be recognized in the Annual Report & Honor Roll unless and anonymous gift is requested.

Please use the following name(s) in all acknowledgments \_\_\_\_\_

I/(We) wish to remain anonymous.

#### DONOR SIGNATURES:

\_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_ Date \_\_\_\_\_

#### PLEASE MAKE CHECKS & CORPORATE MATCHES PAYABLE TO:

CurePSP, Inc.

Donations are tax deductible to the extent allowed by law.

Mail to: CurePSP • 30 East Padonia Road, Suite 201 • Timonium, MD 21093

## RESTRICTING GIFTS

The Foundation will accept gifts restricted to a specific use when one or more of the following conditions exist: a) the gift was solicited for a specific use; b) the restriction already exists in the form of a gift fund at the time the gift is made; c) the restriction(s) requested by the donor is acceptable to the Foundation. The Finance Committee must approve the latter situation.

Noncash gifts may also be accepted under these same guidelines, and the donors must be advised before making the gift whether the gift will be sold, held for eventual use or put to a “related use” as defined by the Internal Revenue Code.

## ENDOWMENT FUNDS

The Foundation accepts unrestricted and restricted endowed funds and allows donors to name these funds. All endowment agreements must be reviewed and approved by the Finance Committee and signed by the Donor(s), an appropriate Witness, President of the Foundation and Chair of the Finance Committee.

- Unrestricted Endowed Named Funds Unrestricted endowment funds may be established with a minimum gift of \$25,000.
- Restricted Endowed Named Funds Restricted endowment funds may be established with a minimum gift of \$50,000.
- Pledged Endowed Named Funds Donors may accumulate gifts toward minimum funding of an endowed fund with a gift of one-half the required minimum and a signed agreement to fulfill the endowment within five years from the date of the signed agreement.
- Separately Invested Named Endowment Funds For an endowment fund to be held and invested separately from the endowment portfolio, funds must be \$500,000 or more at the time of establishment.

**CurePSP**<sup>®</sup>

UNLOCKING THE SECRETS OF BRAIN DISEASE<sup>®</sup>

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