

**The National Service Office
for
Nurse-Family Partnership & Child First**

Gift Acceptance Policy

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Purpose

The role of the Philanthropy Division is to acquire and retain philanthropic support for the benefit of the National Service Office (NSO) for Nurse-Family Partnership and Child First. A secondary purpose is to support specific funds or projects in need of philanthropic support, as determined by NSO staff.

To fulfill these objectives and maintain its integrity as a recipient and steward of charitable funds, the NSO establishes the following guidelines for the acceptance of charitable gifts. This policy will serve as a guideline to staff of the NSO involved with accepting gifts, to outside advisors who assist in the gift planning process, and to prospective donors who wish to make gifts to the NSO. Some gifts, such as real estate, may pose potential risks for the organization. In all cases, gifts should be accepted only if the gift is clearly in the best interests of the organization. The Chief of External Affairs retains the final authority to make decisions on the acceptance of gifts.

General Policies

- A. NSO may accept gifts from individuals, estates, trusts, corporations, associations, societies and private foundations.
- B. NSO shall not appraise or establish the value of any non-cash gift on behalf of any donor. At the request of the donor, it will assist the donor in finding a suitable professional appraiser. Determining the deductibility of gifts for tax purposes is the responsibility of the donor. When necessary, the appropriate IRS forms will be completed.
- C. NSO will not provide accounting, tax or legal advice to donors. Donors should be encouraged to consult with their advisors as each personal situation is different.
- D. NSO shall not pay a finder's fee for any gift or as a condition to receiving a gift.
- E. When appropriate, NSO may, for its own purposes, initiate professional appraisals, title searches, and other efforts to determine fair market value of any potentially donated asset and ownership.

- F. NSO will process all gifts in a diligent and expeditious manner and provide appropriate recognition to donors as described by NSO policies and practices.
- G. All gifts shall be valued according to generally accepted accounting principles for charitable contributions. The date used for computing the value of a gift shall be the date on which the gift (or the control thereof) is transferred to NSO.
- H. Acceptance of a gift does not imply an endorsement of a donor or a donor's actions. Relationships that include such relationships should be made in accordance with NSO's cause marketing guidelines.

Cash

All gifts by check, money order, credit card, automatic bank transfer, money market funds, and certificates of deposit shall be accepted by NSO. Checks shall be made payable to the National Service Office for Nurse-Family Partnership and Child First or simply NSO. In no event shall a check be made payable to an individual who represents the NSO, NFP or Child First.

Large gifts of cash may be subject to anti-money-laundering laws and may require disclosure to governmental agencies. Banking and government regulations may require additional documentation.

Publicly Traded Securities

Readily marketable securities, such as those traded on a stock exchange, can be accepted by NSO:

- A. For gift crediting purposes, the value of the gift is the median of the high and low prices on the date of the gift (standard established by the Internal Revenue Service.)
- B. Gifted securities, upon receipt, will be sold immediately.
- C. The donor will receive an acknowledgement letter stipulating the date of receipt, the value of the gift and the means for determining that value as stipulated above.

NSO staff shall be responsible for facilitating the prompt transfer of all donated securities into the NSO's investment account. Donated stock certificates (negotiable instruments) shall be transmitted in person, or by registered mail, within one working day of receipt. For wire transfers and DTC transfers of donated securities, NSO staff shall provide the donor's stockbroker or financial institution with the

necessary information for the direct transfer into NSO investment account via a Securities Transfer Instruction sheet.

Proposed gifts of partnership interests, options, and futures are generally not accepted and would require review by the Chief Financial Officer.

Closely Held Stock

Non-publicly traded stock may be accepted after consultation with the Chief Financial Officer. Prior to acceptance, the NSO shall explore methods of liquidation of the stock through redemption or sale. A representative of NSO shall attempt to contact the closely held corporation to determine an estimate of the fair market value, and/or whether there are any restrictions to transfer.

Real Estate

Gifts of real estate must be reviewed by the Chief Financial Officer and Chief Legal Officer before acceptance. Due to the expenses associated with gifts of real estate, generally gifts with an estimated value in excess of \$100,000 will be considered for acceptance.

The following conditions must exist:

- A. The donor will be responsible for obtaining a qualified appraisal and an environmental audit of the property, the cost of which shall be borne by the donor.
- B. NSO staff may conduct a visual inspection of the property. If the property is located in a geographically isolated area, a local real estate broker can substitute for a member of the staff in conducting the visual inspection. In addition, staff shall obtain an estimate of the property's marketability, cost associated with its sale, timeframe associated with its sale, and any other relevant information that would assist the CFO in the decision-making process.
- C. The donor will provide the following documents upon request:
 - Real estate deed
 - Real estate tax bill
 - Plot plan
 - Substantiation of zoning status
 - Result of a Level 1 Environmental Audit indicating an absence of clean-up liability.

- D. NSO reserves the right to ask the donor to pay for all or a portion of the following costs while the property is being held for sale by NSO:
- Maintenance costs
 - Real estate taxes
 - Insurance
 - Real estate broker's commission and other costs of sale
 - Appraisal costs
- E. Upon receipt, the real estate shall be sold immediately. Exceptions to this will include gifts of real property where an interest is retained by the donor for the remainder of their lifetime.

Tangible Personal Property

Gifts of tangible personal property can include equipment, cars, boats, furniture, collectibles, antiques, art work, supplies, merchandise and other items. Gifts of tangible personal property shall be accepted only after approval by the Chief of External Affairs consistent with the following criteria:

- A. The tangible personal property must have a use related to the NSO's exempt purpose or can be readily sold for the benefit of NSO.
- B. NSO will not evaluate the value of the donor's gift of personal property.
- C. NSO adheres to IRS requirements related to the acceptance and disposition of tangible personal property and the filing of appropriate forms.

Life Insurance

NSO may accept life insurance policies with the review and approval of the Chief Financial Officer.

NSO will generally not accept ownership of term life insurance policies; however, a donor can name NSO as the beneficiary of a term life insurance policy.

To initiate a gift of insurance, the policy owner shall execute the appropriate forms naming NSO as the beneficiary of the policy. In the case of a term life insurance policy, the policy owner must designate NSO as the beneficiary.

The value of the life insurance policy will be determined as of the date the transfer of ownership and change of beneficiary were recorded by the insurance company. The value of the gift will be the life insurance policy's cash surrender value, as supplied by the insurance company that issued the policy, on the date of

transfer. Any future premiums paid by the donor will be recorded as gifts by the donor.

Bequests

Unrestricted charitable bequests arranged by a donor in a will or revocable trust may be routinely accepted by NSO staff, provided the disbursement to NSO is in the form of a check or shares of publicly-traded securities.

NSO will accept bequests from an estate of a deceased donor, provided the personal representative of the donor (or the donor's estate) has full authority to act and the gift conforms to NSO policies. Non-cash assets shall be liquidated immediately by NSO. Estate distributions of personal property follow the NSO tangible personal property policy.

Charitable Trusts (Remainder or Lead)

NSO may be a beneficiary of a charitable trust with the approval of the Chief Financial Officer.

Pledges

NSO will accept pledges for contributions of \$5,000 or greater. The pledge payment period shall not exceed 5 years (60 months.) All pledges of financial support must be supported by written documentation that stipulates the payment terms, timing and methodology. The donor must sign a copy of the pledge. Pledges that do not have written documentation will be recorded as an annual gift.

If a pledge receives no payment for 24 consecutive months or other arrangements have not been made, the pledge will be considered to be in default and the remaining balance will be written off and no longer considered a receivable.

Pass Throughs

NSO may occasionally receive gifts that are clearly intended for a Local Network Partner (LNP) or affiliate. Gifts are intended for an LNP or affiliate when the organization is specifically named on the check or accompanying correspondence as the recipient.

In this case, NSO will notify the LNP or affiliate that has received a gift and NSO will issue a check to the LNP to pass through the gift. In addition, philanthropy staff will

advise the donor on how to make future gifts directly to the LNP or affiliate (as appropriate). NSO will also send a gift acknowledgement letter to the donor.

If the LNP or affiliate is unable to accept the donation, the donor will be notified, and the gift will revert to NSO with the donor's consent. Gifts received that are geographically restricted but do not name a specific LNP or affiliate are considered geographically restricted gifts to the NSO.

Beneficiary Designations

Donors may name NSO as a primary or contingent beneficiary on life insurance policies, annuities, IRAs, 401(k) plans and other retirement and savings accounts. Donors may name NSO as a beneficiary under a Payable on Death (POD) arrangement on bank accounts and under a Transfer on Death (TOD) arrangement on brokerage accounts. These estate gifts are revocable until death and do not pass through probate. NSO is a "qualified organization" and donors may direct required IRA distributions to NSO.

Standards for Declining Gifts

NSO may decline a gift for one or more of the following reasons:

- A. There are conditions to a gift that are not consistent with the mission, purposes, values, and objectives of NSO.
- B. We perceive the gift is directly detrimental to the population we serve.
- C. The gift could improperly benefit any individual or other organization.
- D. Accepting the gift may damage the reputation of NSO.
- E. The gift could financially jeopardize NSO.
- F. The gift or its terms are illegal.
- G. NSO does not have the resources to honor the terms of the gift.
- H. Acceptance of the gift will result in unwarranted or unmanageable expense to NSO.
- I. There are physical or environmental hazards related to the gift.
- J. The gift may result in inappropriate or undesirable publicity.
- K. The gift creates a conflict of interest or violates NSO's conflict of interest policy.

Unrestricted Gifts

In the absence of specific language restricting the use of a gift, gifts are recorded as unrestricted. Unrestricted gifts are charitable gifts that are donated to NSO for any purpose the organization deems fit in carrying out its mission. These gifts can be

used for any approved purpose, guided by the organization's approved annual budget or as determined by the Chief Financial Officer.

Restricted Gifts

- A. Restricted gifts may include gifts by individuals, corporations and foundations. Gifts restricted for a specific purpose by the donor will be used for that purpose in keeping with the wishes of the donor and as outlined by written agreement between NSO and the donor.
- B. All restricted gifts will be used for their restricted purpose until the gift is exhausted.
- C. In the unlikely event that the restricted purpose for a gift or grant is no longer valid, NSO will contact the donor or donor's representative to identify an alternative mutually agreed upon purpose. If after reasonable effort is made to contact the donor, the donor cannot be reached within a one-year period, the gift will be used to support the organization's present priorities, as approved by the Chief Financial Officer.
- D. Restricted gifts must be approved by the Chief of External Affairs or the Chief Financial Officer prior to proposal or gift acceptance.
- E. Income generated by the investment of restricted gifts shall be considered unrestricted.

Endowments

The minimum gift amount required to establish an endowment is \$100,000. There is no minimum amount required to add to an existing endowment.

Prior to a solicitation of an endowment gift, the relationship manager must receive approval from the Chief of External Affairs. Philanthropy counsel will be consulted as required.

Endowments will be invested in a manner consistent with NSO's current investment practices.

Endowment donors will receive an annual endowment statement including principal, interest, and use of endowed funds.

Administrative Policies

- A. **Gift Receipts** – NSO shall issue a written receipt to donors for gifts received within five working days of the delivery of the gift to NSO. Receipts provided electronically shall also constitute appropriate documentation. The receipt shall comply with all IRS gift substantiation requirements.
- B. **Gifts of Property** – In the case of non-cash gifts, the receipt shall provide a description of the item(s) donated and the date the gift was received by NSO. The receipt for non-cash gifts shall not provide a value for the gift.
- C. **Gift Records** – NSO shall maintain records of all gifts and pledges received. Record shall include the name of the donor, the date of the gift, the amount, a description of the gift, the value of the gift (excluding tangible property) and the purpose for which the gift is restricted, if any.
- D. **Planned Gift Expectancy Records** – NSO shall maintain a record of each known planned gift arrangement for the future benefit of NSO. These records shall include all documentation related to the gift, including correspondence, documents, call reports, and information about planned gift expectancies.

Donors Rights

NSO is guided by this amended version of the Donor Bill of Rights created by the Association of Fundraising Professionals and the Association for Healthcare Philanthropy.

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 public, and that donors and prospective donors can have full confidence in the organizations and causes they are asked to support, we declare that all donors have these rights:

- A. 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.
- B. To be informed of the identity of those serving on the organization's governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- C. To have access to the organization's summary financial data.
- D. To be assured their gifts will be used for the purposes for which they were given.
- E. To receive appropriate acknowledgment and recognition.
- F. To be assured that information about their donation is handled with respect and confidentiality to the extent provided by law.

- G. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- H. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- I. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- J. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.