



CP Gift Acceptance Policy

Introduction

This policy is designed to ensure that all gifts to or for the use of CP are mutually beneficial for CP and its donors. Because some gift situations may be complex, or more costly than beneficial, this policy has been developed to establish standards for evaluating potential gifts. These standards are designed to account for the uniqueness of each gift and each donor, and to allow for a full and fair assessment of any gift in a timely and professional manner.

Guiding Principles

- CP encourages gifts from all sources, including individuals, corporations, foundations, and governmental entities, in support of its charitable purposes.
- CP values and is responsible for maintaining its character as an exceptional health and human services nonprofit organization. As such, CP will only accept gifts in keeping with this character and in furtherance of its charitable mission.
- CP reserves the right to decline certain gifts, including those that are not in furtherance of CP's charitable purposes that are likely to generate little or no financial gain, that would inhibit gifts from other donors, or that would cause CP to violate legal or ethical principles.
- CP will use its best efforts to facilitate gifts that comport with a particular donor's interests. Even so, CP will at all times encourage unrestricted gifts to ensure its character as an exceptional nonprofit and to sustain and enhance its financial strength and flexibility.
- CP will use its best efforts to provide donors with appropriate information to facilitate the gift-giving process, and to ensure that all development staff respond to donors in a timely, professional, and courteous manner.
- Although CP's development staff strives to maintain a high level of familiarity with tax and related laws that affect charitable gifts, staff members cannot provide legal or tax advice to donors. Therefore, CP encourages all donors to consult with their personal legal counsel, tax advisors, and/or financial planners prior to making a gift.
- CP will seek the advice of its own legal counsel as appropriate and necessary prior to accepting gifts of a complex nature. CP will observe all legal requirements governing the acceptance and administration of charitable gifts, including the filing of all necessary documentation upon the receipt and/or disposition of a gift.
- CP will acknowledge all gifts in accordance with the organization's gift naming guidelines, and in an appropriate manner that respects and honors each donor and his, her, or its wishes regarding publicity or anonymity.

- In accepting a gift, CP also accepts responsibility to the donor to steward that gift. This includes administering the gift properly, providing the donor with appropriate financial information about the gift, and, when appropriate, providing reports to the donor about the use of the gifted assets.

Specific Assets

A. Cash and cash equivalents. CP will accept gifts of cash (currency) and cash equivalents (including checks, credit card, wire transfers, and payroll deductions).

B. Publicly traded securities. CP will accept gifts of readily marketable securities (including mutual funds and government securities) that are traded on any recognized stock exchange. CP encourages electronic transfers (e.g., DTC) whenever possible. In certain circumstances, the transfer or disposal of publicly traded securities may be restricted by applicable securities laws (e.g., Rule 144); in such cases, the Executive Director shall determine whether CP will accept the securities. CP reserves the right to sell gifted securities upon or at any time after receipt.

C. Closely held securities. CP will accept gifts of closely held securities, including debt and equity positions in non-publicly traded companies, interests in general and limited partnerships, and interests in limited liability companies and similar entities, subject to the approval of the Executive Director. Such gifts will not be approved if the securities are likely to generate unfavorable tax or financial consequences (including a likely inability to convert the securities to cash within a reasonable timeframe) for CP. CP reserves the right to sell or otherwise dispose of gifted securities upon or at any time after receipt.

D. Real estate. CP will accept gifts of real estate, including residential, commercial, and undeveloped property, upon recommendation of the Executive Director and subject to the approval of the Board of Directors. In evaluating such gifts, the Executive Director and/or Director of Operations may require that a member of the Board or its designee conduct a site visit to the property. Except in exceptional circumstances, contributions of real estate will not be approved if the property is encumbered by a mortgage or similar debt, if the donor cannot provide clear title, if the property is subject to significant carrying costs (such as maintenance or taxes), or if the property shows signs of environmental damage.

To determine the existence of environmental damage, CP generally will require the donor to provide a formal environmental site assessment (Phase I and/or Phase II) prepared by a qualified engineering or environmental firm. Any environmental damage confirmed as a result of such assessment must be remediated and certified as such by the appropriate governmental authority, at the donor's expense, prior to approval of the gift.

Except in exceptional circumstances, CP reserves the right to sell or otherwise dispose of gifted real estate upon or at any time after receipt.

E. Tangible personal property. CP may accept gifts of tangible personal property. If such personal property is valued at \$50,000 or more, acceptance is subject to the approval of the Executive Director. Factors affecting the evaluation of such gifts include the extent to which the property relates to CP's charitable purposes, the marketability of the property, the carrying costs of the property (including transportation, storage, maintenance, and insurance), and the effect of any existing or proposed restrictions on the use, display, or disposition of the property. Except in exceptional circumstances *and* unless the gifted assets are directly related to CP's charitable purposes, CP reserves the right to sell or otherwise dispose of gifted tangible personal property upon or at any time after receipt.

F. Life insurance policies and commercial annuities. CP will accept gifts of life insurance and commercial annuities, subject to the approval of the Executive Director. Such gifts will not be approved unless CP is named as owner and full (100%) beneficiary of the policy or contract. CP may elect to maintain a gifted insurance policy and pay any necessary premiums at its discretion, but reserves to convert the policy to cash or to paid-up status, or to sell or otherwise dispose of a gifted policy or contract, at any time.

G. Other gifts. Any proposed gifts not described above must be approved by the Philanthropy Team. Factors affecting the evaluation of such gifts include the extent to which the gift (or any sales proceeds thereof) could be used in CP's purposes, the marketability and/or carrying costs of the gift, and any legal, financial, or other risks related to the gift. Except in exceptional circumstances, CP reserves the right to sell or otherwise dispose of the gifted asset upon or at any time after receipt.

Specific Forms Of Gifts

A. Bequests. Subject to the provisions of Section IV, above, CP accepts bequests of specific assets, specific dollar amounts, and fixed percentages of an estate, residuary estate, or trust established within an overall estate plan. CP will not serve as personal representative, executor, or administrator of an estate, and will not serve as a trustee of a revocable or irrevocable trust.

B. Insurance beneficiary designations. CP accepts gifts of insurance proceeds (separate from ownership of the underlying insurance policy) through designation as a beneficiary of a specific dollar amount or fixed percentage of the proceeds.

C. Retirement beneficiary designations. CP accepts gifts of retirement assets through designation as a beneficiary (primary or contingent) of a specific dollar amount or fixed percentage of the account balance.

D. Remainder interests in real estate. Subject to the provisions of Section IV above, and the approval of the Executive Director, CP will accept a remainder interest in a personal residence, commercial property, or farm. Except in exceptional circumstances, the donor will remain responsible for insurance, property taxes, maintenance and repairs, and any mortgage or similar encumbrance on the property.

E. Bargain sales. Subject to the provisions of Section IV, above, and the approval of the Executive Director, CP will enter into bargain sales that are reasonably expected to further its charitable and educational purposes. Factors affecting the evaluation of such gifts include the nature and value of the property, the proposed purchase price and anticipated carrying and transaction costs, and the ability to sell or otherwise dispose of the purchased property.

F. Charitable gift annuities. CP may accept gifts of cash or publicly traded securities in exchange for charitable gift annuities, deferred gift annuities, and flexible gift annuities that are registered in certain states, in each case for no more than two designated annuitants. Subject to the provisions of Section IV above, and the approval of the Executive Director, CP will accept gifts of other assets in exchange for deferred and flexible gift annuities. CP requires a minimum contribution of \$10,000 and a minimum age of 65 at the time annuity payments begin. CP provides annuity payments at rates up to but not in excess of those recommended by the American Council on Gift Annuities.

G. Charitable remainder trusts. CP accepts designation as a remainder beneficiary of all forms of charitable remainder trusts, including annuity trusts, standard unitrusts, net income (with or without make-up) trusts, and flip trusts. CP will not serve as a trustee of a charitable remainder trust. Due to administration expenses and transaction costs, it is recommended that charitable remainder trusts be funded with a minimum of \$250,000.

H. Charitable lead trusts. CP accepts designation as an income beneficiary of all forms of charitable lead trusts, including grantor and non-grantor trusts with annuity or unitrust payouts. CP will not serve as a trustee of a charitable lead trust. Due to administration expenses and transaction costs, it is recommended that charitable lead trusts be funded with a minimum of \$1,000,000.

I. Donor-advised, field-of-interest, and agency funds. CP accepts gifts from or designation as a beneficiary of donor-advised, field-of-interest, agency, and similar funds administered by community foundations or commercial entities.

Specific Gift Purposes

CP recognizes the interest that donors may have in establishing a named and/or endowed fund to support a particular purpose. The Fundraising Committee of the CP Board of Directors has established certain minimum amounts for such funds, which amounts may be adjusted from time to time by the Fundraising Committee or any successor committee of the Board. Those minimum amounts, as they may be adjusted from time to time, are deemed to be incorporated by reference into this policy.

CP also recognizes the importance of clear guidelines for reporting the value of gifted assets. When providing donors with acknowledgement of gifts for tax purposes, CP adheres to the relevant rules and regulations set forth in the Internal Revenue Code and Treasury Regulations, as such may be amended from time to time. When providing financial statements to public or governmental authorities, CP observes the practices and standards promulgated by the Financial Accounting

Standards Board. When crediting gifts for the purpose of donor recognition, reunion class totals, or capital campaigns, CP follows internal guidelines specifically developed for such purposes.

In-Kind And Event Donations

CP solicits and accepts gifts that are consistent with its mission and that support its core program, as well as special projects. Gifts-in-kind or items donated for event purposes, will be accepted upon approval by the Philanthropy Team.

Gifts-in-kind and other forms of support will generally be accepted from individuals partnerships, corporations, foundations, government agencies, or other entities, subject to the following limitations:

- A. Acceptable Gifts: General guidelines for acceptable gifts include that the item(s):
- Are new or nearly new
 - Have a value of at least \$20.00
 - Align with the CP mission, programs, and/or focus of the event
 - Are offered in such a form that CP can use without incurring substantial expense or difficulty
- B. Restrictions on Gifts: CP will not typically accept the following types of gifts:
- Used, damaged, or worn items
 - Handmade items, unless pre-approved by the Philanthropy Team
 - Gifts that do not fit within the CP mission, programs, and/or focus of the event
 - Items that will damage the reputation of CP
 - Items that will not be financially profitable during said event

All decisions to solicit and or accept in-kind gifts will be made by the Philanthropy Team. The Philanthropy Team will consider the following key attributes as it relates to each in-kind donation: Values, Compatibility, Public Relations, Primary Benefit, Consistency, Form of Gift, Effect or Future Gifting.

The use and/or display of all gift(s)-in-kind donated to CP will be subject to the Philanthropy Team's discretion.

Important Note: CP does not place a value on gift(s)-in-kind or non-marketable securities (See IRS Publication 561 "determining the value of donated property"). It is the donor's responsibility to obtain substantiation of value according to IRS regulations.

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