



## **Gift Acceptance Policy**

### **Scope of policy:**

The purpose of the Gift Acceptance Policy is to provide guidance within Girl Scouts Louisiana East with regard to the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of private sector gifts.

These policies are to be viewed as flexible and realistic to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with GSLE's mission and policies. Flexibility must be maintained since some gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of the Board of Directors along with legal counsel and Directors if necessary.

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are designed and managed by the Chief Development Officer (CDO), in conjunction with the appropriate staff, and are subject to approval by the Chief Executive Officer (CEO).

The Board, through the Fund Development and Finance committees, is responsible for the Gift Acceptance Policy. This responsibility cannot be delegated or waived. These policies and authorizations shall be reviewed by the Fund Development Committee, Finance Committee, and perhaps the full Board on an annual basis or as circumstances warrant.

### **A. OVERVIEW**

1. The benefits enjoyed by Girl Scouts under the law include active support and voluntary contributions from individuals, corporations, foundations, government, associations, and societies. The relations among all these parties are essential to the mission of Girl Scouting as entrusted to Girl Scouts Louisiana East and promote the Council's financial independence and stability. Responsibility for the conduct and enhancement of philanthropy for Girl Scouting shall be retained by the Board of Directors.

2. All charitable contributions, regardless of value, form, or designated use, shall be made only to Girl Scouts Louisiana East as a not-for-profit corporation and qualified for tax exemption under federal Internal Revenue Code Section 501(c)3. The Council is the only tax-exempt entity. Gifts may be received on behalf of projects, programs, service units, troops, or groups as restricted donations. (Any gift accepted as such is subject to other GSLE policies such as the volunteer policies.)
3. The Council will comply with applicable tax laws and public reporting requirements. Members and donors shall have full disclosure of the financial operations of the Council.
4. All fundraising methods employed by the Council shall be in keeping with the principles for which the organization stands.
5. The Board of Directors has the right to refuse gifts or contributions that do not enhance, promote, and ensure the purpose of Girl Scouting and the long-range financial viability of the Council. Gifts will be scrutinized with respect to public relations impact on the Council, requirements for special handling, difficulty to sell, and restrictions for a certain purpose that are not large enough to cover the entire cost of managing the gift.
6. Use of the name of Girl Scouts Louisiana East for any fundraising purpose by any other organization or entity shall require prior approval of the CDO. The policies of Girl Scouts of the USA shall act as a guide for entering joint fundraising ventures where there is no implied endorsement or selling of unapproved products.
7. Joint ventures, benefits, marketing, and solicitation partnerships shall be in accordance with regulations of federal, state, and local laws, Council policies and individual written contracts for each event approved by the Finance Committee.
8. Gift Acceptance (non-monetary gifts of property, artwork or other)
  - Gifts with an estimated value of more than \$50,000 require approval of the Board of Directors.
  - Gifts with an estimated value of \$10,000 to \$50,000 require acceptance by the Executive Committee of the Board.
  - Gifts of \$5,000 to \$10,000 require acceptance by the Finance Committee and CEO.
  - Gifts up to \$5,000.00 require acceptance by the CEO.

## **B. DONORS**

1. Donor restrictions will be considered to the extent possible, so long as the intended use of funds is in keeping with the Mission of Girl Scouting and the policies and priorities of the Council. Additionally, donor restrictions will be respected insofar as they do not create undue burden on the staff, programs, or facilities of the Council at the time of acceptance or any time in the future.
2. Formal recognition of Girl Scout donors shall include methods of recognition that enhance the image of Girl Scouting, show appreciation to the donor, and provide opportunities for public acknowledgement.
3. All gifts, regardless of value, form, or designated use, shall be acknowledged by the Council with official correspondence. Acknowledgement represents to the donor acceptance of the gift along with its restrictions, notice of what goods and service were or were not received, and may also serve the donor as evidence to substantiate a possible tax deduction.
4. While the Council will issue formal acknowledgment of all gifts, the potential for tax deduction is always a matter personal to the donor, and to be considered between the donor and his/her tax professional. The Council is not authorized or equipped to offer advice on tax deductibility.
5. The Development department shall maintain confidentiality concerning contributions, gift records, prospect cards, and other data on donors, and should ensure that this information is used only for the support of fund raising.

**C. TYPES OF GIFTS**

Besides monetary gifts in the form of cash, checks, money orders, EFT/ACH, and charges to approved credit cards, non-monetary gifts may be accepted. These include bonds and securities, real property, tangible personal property, gifts-in-kind to be used in the form in which they are given, royalties, copyrights, and trademark rights, and insurance policies naming Girl Scouts Louisiana East as a beneficiary in whole or in part.

1. Cash  
The Council may accept cash, checks, and money orders in any amount. Checks should be made payable to **Girl Scouts Louisiana East**.
2. Unrestricted and Restricted Gifts
  - Gifts with no stipulation by the donors to their purpose or use are unrestricted.
  - Gifts given for a specific purpose or timing, or both, stipulated by the donor are restricted (if it meets the criteria of policies for GSLE). Restricted gifts

must be for a charitable purpose benefitting the organization and not individuals.

Small gifts, less than \$1,000, can be restricted by the donor to financial assistance for girls, volunteer support, property maintenance and/or improvements, programs, events, or outreach projects.

Gifts restricted for other purposes must be greater than \$1,000 and their acceptance approved by the CEO.

3. Memoriam and Honorariums

Both restricted and unrestricted commemorative gifts may be received in the form of “in memory of”, “in honor of”, or “on the occasion of” from any source. Unless their use and/or timing are specified by the donor or the person or family named, they shall be considered unrestricted gifts.

4. Gifts in Trust

The Council may accept certain gifts in trust, agreeing to hold and manage the donor’s principal resources and assets in exchange for life income, after which the principal and future income become the property of the Council, in accordance with the Council’s planned giving program.

Charitable Remainder Unitrusts or Annuity Trusts require a minimum gift of \$75,000 with no beneficiary under the age of 65. Donor must provide a written agreement if gift is restricted. Executive Committee approval, with advice of Council attorney, is required for acceptance of such a gift.

6. Property/Real Estate

Real Estate in the form of a residence, business, commercial building, underdeveloped land, etc., may be accepted if the property can be sold or the property can be used in keeping with the mission of the Council. Due diligence will guide the Council in considering the acceptance of a gift of real property and the process will include: 1) a review of regulatory issues, 2) title search to reveal any encumbrances, 3) an environmental and toxic waste review to determine if acceptance is economically feasible, and 4) inquiry into uses of the property to determine if they were consistent with good commercial or customary practice. Environmental and toxic waste review is the responsibility of the donor.

For a gift of real property, a donor may arrange in a will or living trust that Girl Scouts Louisiana East be designated as the beneficiary to receive a direct gift from the estate.

Gifts of real property which have the potential to pose high cost or undue burden to the Council in order to sell, process, or dispose of will not be accepted.

Gifts of property or real estate to the Girl Scouts Louisiana East will be sold at the discretion of the Girl Scouts Louisiana East, whose express policy will be to convert the property to cash at the earliest opportunity, keeping in mind current market conditions and the potential use of the property in the accomplishment of the mission of the Girl Scouts Louisiana East.

Property encumbered by a mortgage or other indebtedness cannot normally be accepted as a gift unless the donor agrees to assume all carrying costs until the property is liquidated. Exceptions to this guideline can be made when the value of the property exceeds the anticipated exposure, or will produce income, or will be used by the Girl Scouts Louisiana East in its programs.

7. Tangible Personal Property

The Council may accept gifts of tangible personal property if the property is sold and the donor agrees that the property can be sold, unless the Council agrees to use the property for a purpose related to its exempt purpose.

8. Gifts of Appreciated Security

The Council may accept gifts of publicly traded stocks, bonds and shares in mutual funds. Such gifts will be immediately sold, giving gift credit of the gift based on the high and low trading price for the day the securities are transferred. Securities, with properly completed endorsements or stock powers, must be delivered and endorsed as directed by the Council.

All securities will be sold immediately upon receipt into the account and transferred to the Council's investment portfolio under the investment guidelines established and reviewed annually by the Finance Committee.

9. Donation of Service(s)

Donations of time or services by local corporations, entities, or individuals for which a dollar value cannot be readily established and which are not recognized by the Internal Revenue Service as contributions for income tax purposes are appreciated by the Girl Scouts but are not recorded and maintained centrally. Departments or units which receive such donated services should acknowledge those donations, when appropriate; should maintain records of the donations; and should report that information to the CDO when used as part of matching funds for grants or other funding mechanisms.

10. Closely Held Securities, Partnership Interest, and Other Property.

Closely held securities, partnership interest and other property not listed above may be accepted only if approved by the Executive Committee of the Board. This

approval can only occur if such property can be readily liquidated within a reasonable period of time, without high cost or undue burden to the Council, and the Council is protected from any liability resulting from the ownership of such property.

11. Legacies and Bequests

A donor may arrange in a will or living trust that Girl Scouts Louisiana East be designated as a beneficiary to receive a direct gift from the estate. The Finance Committee will recommend the use of legacy and bequest income and recommend to the Board of Directors approval, unless otherwise specified by the donor.

12. Retirement Plan Assets

A retirement plan is one of the best types of assets to transfer to a charity because it produces taxable income. Most assets an heir inherits are free from income tax. However, an heir will pay income tax on disbursements from a decedent's retirement plan such as a profit-sharing plan, Section 401(k) plan or IRA. When dealing with a charitable bequest, it is usually better to transfer the taxable assets subject to income tax to a tax-exempt organization and to transfer the assets not subject to income tax to heirs.

Plans that are appropriate for gifting include:

- Profit-sharing or other defined benefit contribution plan
- 401(k) plans, which allow an employee to reduce taxable compensation
- 403(b) plans for employees of nonprofit organizations
- Traditional individual retirement accounts, or "IRAs"

*Note that a Roth IRA is subject to different tax treatment than a traditional IRA, and therefore is typically not advantageous as a charitable asset.*

All gifts of life insurance must comply with applicable state insurance regulations, including insurable interest clauses.

13. Gifts-in-Kind

Gifts of material or products may be accepted when the form of the gift can be used by the organization, when the items are in good, useable shape, and when acceptance and use of the items will not cause the Council to incur cost or undue burden.

14. Troop Sponsorships

Troop sponsorship is a volunteer partnership with a community organization, business or an individual whose goals are compatible with Girl Scouts. Sponsors may provide a meeting place, opportunities for community involvement, volunteer time and financial donations. Troops may have no more than two sponsors that contribute financially to the troop and the total amount donated

by both sponsors is \$250. Troops must check with their Membership Development Specialist to determine if the financial sponsor is a donor that already supports GSLE.

#### **D. GIFT ACCEPTANCE AND REFUSAL**

The CEO or CDO and the Board of Girl Scouts Louisiana East have the authority to solicit and/or accept gifts on behalf of the Girl Scouts Louisiana East. Unrestricted, outright gifts of cash, check, credit card, and publicly traded securities do not require approval. Routine gifts are accepted and administered by the Development office, with final authority to accept “routine” gifts lying with the CDO.

Girl Scouts Louisiana East reserves the right to decline any financial commitment, gift, or bequest, as well as the right to determine how a gift will be credited and/or recognized.

**Gifts will only be accepted where there is charitable intent on the part of the donor.**

Girl Scouts Louisiana East is unable to accept gifts that are overly restrictive in purpose and/or burdensome to the finances or operations of GSLE. The most desirable gifts are those with the least restrictions, as unrestricted funds allow the organization to address its most pressing needs. Unless the Board grants a specific exception, the Girl Scouts Louisiana East will not accept any gifts that ...

1. Contain a condition that requires any action on the part of the organization that is unacceptable to administration
2. Contain a condition that the proceeds will be spent by the organization for the personal benefit of a named individual
3. Require the organization and its administration to employ a specified person now or at a future date
4. Inhibit the organization from seeking gifts from other donors
5. Expose the organization to adverse publicity, litigation, or other liabilities
6. Require undue expenditures, or involve the organization in unexpected responsibilities because of their source, conditions, or purpose
7. Involve unlawful discrimination based upon race, religion, gender, sexual orientation, age, national origin, color, disability, or any other basis prohibited by federal, state, and local laws

Noncash gifts will be accepted only when it is reasonably expected they can be converted into cash within a reasonable period of time or when the Girl Scouts Louisiana East can utilize the noncash gift in its operations or to promote its mission.

Associated expenses of a gift made to the Girl Scouts Louisiana East are to be borne by the donor, unless waived by the Executive Committee.

Donors of property gifts of over \$5,000, except for gifts of publicly traded stock, must obtain an appraisal by an independent third-party appraiser in accordance with current tax law requirements.

To avoid conflicts of interest, the unauthorized practice of law, the rendering of investment advice, or the dissemination of income or estate tax advice, all donors of noncash gifts must acknowledge that the Girl Scouts Louisiana East is not acting as a professional advisor, rendering opinions on the gift. All information concerning gift planning from the Girl Scouts Louisiana East is to be for illustrative purposes only and is not to be relied upon in individual circumstances. Girl Scouts Louisiana East may require a letter of understanding from a donor of a property gift, along with proof of outside advice being rendered, before such a gift will be accepted.

All gifts and gift consideration must meet all applicable local, state, and federal laws and regulations.

### 3. Restricted and Unrestricted Gifts

Unrestricted gifts shall be encouraged unless 1) the donor indicates that he or she is only willing to make a restricted gift or 2) the option of a restricted gift will otherwise significantly increase the chances of obtaining a gift from the donor 3) the gift is solicited to address a specific need of the organization.

In drafting instruments for the gift of restricted funds to the Girl Scouts Louisiana East, or to any of its affiliated organizations, donors and their advisors shall be encouraged to use language that would permit application of the gift to a more general purpose if, in the opinion of the Board, the designated purpose is no longer feasible.

All receipts from unrestricted bequests, annuities, charitable remainder trusts, or charitable lead trusts shall become a part of the general budget, unless the Executive Committee determines a particular unrestricted gift of the type enumerated in this paragraph should be deposited in a different account.

### 4. Administrative Expenses

Girl Scouts Louisiana East will not pay commissions or finder's fees as consideration for directing a gift to the Girl Scouts Louisiana East.

Donors are responsible for obtaining their own appraisals for tax purposes of real property or tangible or intangible personal property being given to the Girl Scouts Louisiana East and for any fees or other expenses related to such appraisals.

Girl Scouts Louisiana East retains the right to obtain its own qualified appraisals of real property or tangible or intangible personal property being offered as a gift at its own expense.

Girl Scouts Louisiana East will acknowledge receipt of gifts of tangible personal or real property in accordance with the federal tax law and will sign any IRS form or other documents necessary for the donor to obtain a tax deduction for such gifts, so long as such acknowledgment does not entail valuing the gift.

## 5. Stewardship

Girl Scouts Louisiana East will be responsible for good stewardship toward its donors by following these guidelines:

1. All gifts will be acknowledged within one week of receipt by Girl Scouts Louisiana East.
2. All gift acknowledgment letters/receipts will be prepared by the CDO or his or her designee within the Fund Development staff.
3. Files, records, and mailing lists regarding all donors and donor prospects are maintained and controlled by Girl Scouts Louisiana East. Maximum use will be made of information and contacts that members of the Board, various volunteer groups, or the staff have with potential donors. Reports of interviews and solicitations will be maintained in the donor prospect software.
4. This information is confidential and is strictly for the use of the Girl Scouts Louisiana East Board and staff. Use of this information shall be restricted to organization purposes only. Donor has the right to review his or her donor fund file(s).
5. Gifts to Girl Scouts Louisiana East and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition societies and/or an annual listing of donors. All donor requests for confidentiality will be honored.
6. Names of donors will not be provided by Girl Scouts Louisiana East to other organizations, nor will any lists be sold or given to other organizations. The only exception to this is the donor listing in the annual report or in the specific communications for sponsored events.

## 6. Professional Advice

Prospective donors shall be strongly encouraged in all cases to consult with their own independent legal and/or tax advisors about proposed gifts, including tax and estate planning implications of the gifts. No representative of Girl Scouts Louisiana East shall provide legal or tax advice to any donor or prospective donor.

Upon request, representatives of Girl Scouts Louisiana East and/or Girl Scouts of the USA may provide to the donor sample bequest language for restricted and unrestricted gifts to ensure that a bequest is properly designated. Girl Scouts Louisiana East may also provide, upon request, IRS-approved prototype trust agreements for review and

consideration by the donor and his or her advisors. The sample nature of such language or agreements shall be clearly stated on all documents given to donors, and donors shall be advised that consultation with their own legal advisors is essential prior to use of such standard language or specimen agreements.

## 7. Confidentiality

All information about donors and prospective donors, including but not limited to their names, the names of their beneficiaries, the nature and amounts of their gifts, and the sizes of their estates will be kept confidential by the Girl Scouts Louisiana East and its representatives, unless the donor grants permission to release such information. All requests by donors for anonymity will be honored, except to the extent that the Girl Scouts Louisiana East is required by law to disclose the identity of donors. Donors will be recognized in the manners described in event sponsorship information and as part of the annual report.

## 8. Authority

The CEO is authorized to enter into planned gift agreements on behalf of the Girl Scouts Louisiana East and to execute any and all documents necessary or appropriate to consummate such agreements.

Any exceptions to these gift acceptance policies may be made only in exceptional circumstances, on an individual basis, and shall require the approval of the CEO, the chair of the Fund Development Committee and Chairman of the Board.

These gift acceptance policies may be amended by the Executive Committee, upon recommendation from the Fund Development Committee or the Finance Committee of the Board of Directors.

## **E. APPRAISAL RULES AND PROCEDURES**

- Current IRS guidelines do not require the Council to include a dollar amount in acknowledgements of non-cash gifts/gifts-in-kind and the Council will not place a value on the donation as it is the donors' responsibility to establish the value of the gift. Non-cash contributions estimated with a value over \$500 shall comply with IRS Form 8283 (Non-cash Charitable Contributions and the qualified appraisal rules).
- All gifts of property valued at more than \$5,000 must be appraised by a certified professional appraiser, and a copy of the appraisal must accompany the gift. Appraisal is the responsibility of the donor. The gift value shall be the appraised value at the time of the gift. If the property is sold within two years of its receipt, the Council will complete and submit IRS Form 8282.