

East Bde Maka Ska Neighborhood Association Gift Acceptance Policy and Guidelines

I. Purpose

As a nonprofit organization organized under the laws of the State of Minnesota, East Bde Maka Ska Neighborhood Association (hereinafter referred to as “The Organization”), encourages the solicitation and acceptance of gifts to The Organization for purposes that will help further and fulfill its mission.

II. Authorization

The Organization may generally solicit and accept gifts that are consistent with its mission. Subject to this policy, donations may generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitation. In the course of its regular fundraising activities, The Organization may accept donations including but not limited to money, real property, personal property, stock, other assets, and in-kind goods or services.

III. Purpose of Policies and Guidelines

The Board of Directors, staff or volunteers may solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission. These policies and guidelines govern the acceptance of gifts by The Organization and provide guidance to prospective donors and their advisors when making gifts. The provisions of these policies will apply to all gifts received by The Organization for any of its programs or services.

IV. Use of Legal Counsel

The Organization will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by outside counsel will be recommended for:

- 1.** Closely held stock transfers that are subject to restrictions or buy-sell agreements
- 2.** Documents naming The Organization as Trustee;
- 3.** Transactions with a potential conflict of interest that may invoke IRS sanctions;
- 4.** Gifts requiring an unmitigated continuing obligation on the part of The Organization;
- 5.** Gifts with significant restrictions from the grantor (i.e., a covenant running with land or assets);
- 6.** Gifts with significant restrictions that limit the marketability of the donated asset;

7. Other instances in which use of counsel is deemed appropriate by the Board or a Committee.

V. Ethical Fundraising

Prospective donors will be urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Organization will strive to uphold the Code of Ethical Principles and Standards adopted by the Association of Fundraising Professionals.

VI. Potential Conflicts

Corporation's Directors and / or Officers personally accepting gifts, entertainment, beneficial actions or other tokens of recognition from individuals or entities can result in a conflict of interest when the party providing the gift, entertainment or favor does so under circumstances where it might be inferred that the action was intended to influence or possibly would influence the Director and / or Officer in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of Corporation.

The Organization's conflict of interest policy is herein incorporated by reference to this document.

VII. Acceptance of Gifts

Gifts will be accepted by The Organization through its employees, officers, directors, or volunteers. Any Chapters of The Organization which exist under the incorporation and tax identification number umbrella of The Organization are not permitted to take title to real property and are not valid as named beneficiaries on any planned giving instrument. Where a donor has named a chapter as the recipient of real property or has named a chapter as a beneficiary of a giving instrument, The Organization will be the legal recipient of the gift.

Individuals or organizations that wish to donate to a specific project, initiative, or geographic area should be counseled by The Organization on the most effective and appropriate way to do so.

VIII. Restrictions on Gifts

The Organization will accept unrestricted gifts and gifts for specific programs and purposes, provided that acceptance of these gifts are consistent with its stated mission, purposes, and priorities. The Organization will not knowingly accept any gifts that violate any federal, state, or local statute or ordinance. The Organization will not accept gifts that are too restrictive in purpose.

Gifts that are too restrictive are those that:

- Violate the terms of the corporate Articles and Bylaws;
- Contain unreasonable conditions or encumbrances;

- Are financially unsound;
- Could expose The Organization to unreasonable liability;
- Are difficult to administer due to size, geography, or nature of the administration, etc; or,
- Are for purposes contrary to or outside the mission of The Organization.

In its role on gift acceptance, the Board or its delegate(s) is charged with the responsibility of reviewing specific gift proposals made to The Organization. When proposals present restrictions that may be outside the guidelines of this policy, the Board or its delegate(s) will discuss these proposals as appropriate. The Board or its delegate(s) may make a final decision on the restrictive nature of a gift, and its acceptance or refusal, when necessary.

IX. Miscellaneous Provisions

1. **Securing appraisals and legal fees for gifts:** It will be the responsibility of the donor to secure any appraisal required for tax valuation purposes; and any required independent legal counsel for all gifts made to The Organization. Exceptions to this provision may be made by the Board, as necessary, and provided that The Organization's independence is not compromised.
2. **Valuation of gifts for development purposes:** The Organization will record a gift at its valuation for gift purposes on the date of gift.
3. **Philanthropic Intent:** The Organization will determine that gifts to The Organization are evidence of philanthropic intent in order to avoid The Organization being a vehicle for either intended or innocent avoidance of taxes, prejudiced purposes, or valuation of gifts without the required professional evaluation.
4. **IRS Filings:** The Organization, through the Treasurer or other Officer, will comply with all IRS tax reporting requirements related to the acceptance or disposition of gifts, including form 8283 and 8282.
5. **Gift Acknowledgement:** The Organization will acknowledge all gifts made to The Organization and compliance with the current IRS requirements (See i.e., IRS Publication 561 Determining the Value of Donated Property and IRS Publication 526 Charitable Contributions).

X. Changes to Gift Acceptance Policies

These policies and guidelines have been accepted by the Board of Directors, which must approve any permanent changes.

Approval & Adoption

Approved and adopted by a vote of the Board of Directors at a properly conducted meeting.

Approved by the Board of Directors on September 9, 2021