

GIFT ACCEPTANCE GUIDELINES

I. Purpose -- General

In order to build long-term, cordial, and mutually beneficial relationships with actual and potential donors, it is necessary to establish Giving Guidelines, which provide a sound basis for transactions between donors and Foundation professionals, support staff, and volunteers. As previously stated, all matters concerning donors or prospective donors shall be confidential except as necessary to facilitate acceptance of a gift or for promotional purposes as authorized by the donor or prospective donor.

II. Procedures

- A. Policies and procedures defining, outlining and implementing the gift-giving process for the Foundation are described fully under the specific type of gift as listed in the table of contents.
- B. A gift report will be filed on all gifts other than cash, and all gifts will be acknowledged to the donor and in accordance with his/her wishes. Acknowledgements will be made on all gifts.
- C. The following criteria will apply for acceptance of all non-cash gifts. The Vice President of Development is responsible for implementing these criteria of acceptance under the guidance of the Board of Directors on a case by case basis.
 - 1. Criteria for Consideration
 - a. Immediate use to the Foundation
 - b. Cost and feasibility of selling
 - c. Transportation cost
 - d. Storage cost
 - e. Maintenance and repairs
 - f. Value of gifts (qualified appraisal when applicable)
 - g. Mortgage
 - h. Legal fees
 - i. Debt incurred
 - j. Other as deemed necessary

III. Policy -- General

A. Use of Consultants/Advisors

The Foundation may seek the advice of consultants and professional advisors in all matters pertaining to gifts (restricted and unrestricted). The prospective donor should also consult with their own consultants and advisors pertaining to their gift program.

B. Financial Information

Upon request, the Foundation will furnish financial information, including most current audit and most current 990 tax return.

C. Appraisals

1. The Foundation shall require a qualified appraisal by a qualified appraiser according to the terms of the law.
2. Federal regulations require that contributions of property (other than money and publicly traded securities) must have a *qualified appraisal* by a *qualified appraiser* if the donor claims or reports charitable contribution deductions for such items of property and all similar items of property for the same taxable year that exceed \$5,000 in the aggregate. Federal regulations provide that a *qualified appraisal* is an appraisal document that: (a) relates to an appraisal that is made not earlier than 60 days prior to the date of contribution of appraised property no later than the due date of the donor's tax return; (b) is prepared, signed, and dated by a qualified appraiser; (c) includes all required information; and (d) does not involve a prohibited type of appraisal fee. A separate qualified appraisal is required for each item of property that is not included in a group of similar items of property. An appraisal summary (IRS Form 8283) must be made on the form prescribed by the Internal Revenue Service, signed and dated by the original donor and qualified appraiser, and attached to the donor's return on which a deduction is first claimed or reported.
3. The Foundation's Financial Department shall sign and deliver IRS Form 8283 to the taxpayer as may be required by the law and regulations, and the Foundation's Financial Department shall prepare and file IRS Form 8282 if it disposes of the appraised property within three (3) years of the date of the gift, or within such other prescribed time period as may be required by law and regulations.

D. Methods of Giving

1. Cash/Check
2. Credit Cards
 - a. Visa, Mastercard, Discover, and American Express are credit cards that may be used to initiate a gift. Online information may be used. It is not necessary for the Foundation to have the card in hand to process the charge.
 - b. Credit Cards are processed as follows:
 - If a credit card gift is received by mail, the receptionist brings the information to Donor Services.
 - Donor Services processes the credit card in a batch through a Raisers Edge Electronic Funds Transfer (EFT).
 - Once the credit card gift has been approved through EFT, Donor Services shreds the credit card information.
 - If a gift is received through AAF's online giving site, NetCommunity, the credit card gift is approved or denied at the point of the transaction. Approved credit card gifts are then imported into a Raisers Edge batch for processing.
 - Once credit card gifts are approved/processed, the gifts are handled as any other gift.

3. Wire Transfers
 - a. Follow policies established by financial institutions
 - b. The Finance Department notifies Donor Services when a wire transfer has been received. Donor Services then processes the gift as any other.
4. Non-monetary in-kind contributions (catering, advertising, etc.)
 - a. In-kind contributions must have a signed Amarillo Area Foundation In-kind Contribution Form on file in order for a receipt to be issued.
 - b. Upon receipt of the properly executed form, an in-kind gift is processed as any other.

E. Matching Gifts

1. Review and verify all donor contributions for which matching gifts are to be requested.
2. Maintain records of donor contributions and matching gifts.
3. Sign and transmit all matching gift transactions.
4. Matching gifts must follow the original gifts.

F. Pledges

1. Only pledge agreements signed by the donor are to be recorded.
2. Verbal pledges may be noted in the donor record but not entered as a gift in RE.
3. All pledges will be followed with a personal letter, phone call, or visit from the Vice President of Development in a timely manner.
4. The minimum amount to establish a signed and recorded pledge is \$500. Pledges must include the donor's directives to meet the pledge obligation.
5. The minimum amount to establish a signed and recorded challenge pledge is \$5,000. If more than one entity will be contributing to the challenge pledge, signed Forms must be received before the challenge can be recorded and before contributions to meet the challenge can be accepted. The time limit for meeting a challenge must not exceed 36 months. An extension request may be request and may be granted by the Foundation.
6. Pledges contingent upon any factors related to a fundraising campaign will not be recorded in RE.
7. Funds from a Donor Advised Fund, whether held at Amarillo Area Foundation or at another entity, may not be used to satisfy a pledge commitment at AAF.

G. Legal and Soft Credit

1. Legal credit is given to the entity from whom a contribution is received. Soft credit is given to show affiliation.
2. Soft credit donors cannot regard the gift as a charitable contribution.

H. Corporate Checks – Personal Records

1. A corporate contribution should not be recorded on an individual's record except

as soft credit.

I. Gift Acknowledgment

The goal is to send acknowledgments with 48 hours of receipt of the gift.

1. All donors receive an official receipt for tax purposes, which includes a hand-written note, signed by the President & CEO, the Vice President of Development, the Development Director, or the Donor Services Administrative Assistant.
2. The President & CEO signs receipts for all membership contributions.
3. The Vice President of Development follows up with personal letters or notes as appropriate.
4. The Board Chairman signs letters for all gifts of \$25,000 and above.
5. The Director of Development or Donor Services Administrative Assistant sends a hand-written acknowledging all other gifts.
6. Board members, volunteers, and staff are encouraged to send letters or notes as appropriate.
7. A Donor Stewardship/Gift Acknowledgment Form is generated for every donation and outlines and tracks the acknowledgment process for each individual gift.