



Gift Acceptance Policy

1. Purpose

The purpose of this Gift Acceptance Policy Statement is to establish an understanding for the Food Bank of Northern Nevada (FBNN), its Board of Directors (the Board) and employees, Donors and professional advisors as to the general terms and conditions under which gifts may be accepted.

This policy statement shall be supplementary to any other policies that may be considered with respect to particular gifts and programs.

2. General

- a. All gifts are subject to approval by FBNN in accordance with applicable state and federal laws and in some instances, in accordance with Board approved policies.
- b. The Board prohibits FBNN, its Board, and employees from benefiting personally by way of commissions or other tangible rewards related to gifts received.
- c. FBNN will have corresponding procedure documents with steps for executing each of the types of planned gifts listed in this policy statement.
- d. FBNN recommends all Donors wishing to make gifts outlined in this policy consult with their professional advisors including but not limited to CPA, financial advisor, estate planning attorney, general attorney and/or business attorney.
- e. Gifts to FBNN will generally be accepted unless:
 - 1) acceptance of the gift may be seen as a conflict of interest;
 - 2) acceptance of the gift may cause embarrassment;
 - 3) acceptance of the gift conflicts with FBNN's charitable purposes;
 - 4) acceptance of the gift exposes FBNN to uninsurable risk to long term illiquidity, or to expend resources independent of the gift; or
 - 5) FBNN cannot meet guidelines related to a restriction placed on the gift or on a request for recognition.
- f. FBNN will provide written acknowledgement at the time of acceptance for any publicly traded stock, bonds, and other securities and will include the average fair market value on the date when the contribution is made.
- g. FBNN will accept contributions from individuals, companies, organizations, foundations, trusts and estates.

- h. Contributions of cash, mutual fund shares, stocks bonds and other securities are eligible for contribution to FBNN.
- i. When there is interest by a donor in establishing an endowment for which the need for and purpose of has been thoroughly vetted by FBNN, an endowment may be created that supports FBNN operations or specific programs or activities. FBNN may work with a local, regional or national community foundation or other qualified institution to set up and manage the endowment.
- j. FBNN has created, by Board policy, a Spendowment Fund". It is generally FBNN's policy to direct all bequest gifts to this Fund unless otherwise directed by the Donor or FBNN Board of Directors. A Donor may also designate a restricted contribution to this fund.
- k. Gifted assets will be relocated from the custody of the Donor or his/her broker to FBNN.
- l. All decisions on whether to hold or sell gifted assets rests with FBNN.
- m. All property, excluding cash and publicly traded securities, valued at over \$5,000 must have independent, qualified appraisal to support the deduction. Appraisal is at the Donor's expense. In some cases, FBNN may elect to pay the appraisal costs.
- n. FBNN may accept or reject to serve as executor/trustee for a Donor's estate and can reassign executor/trustee duties to another entity as necessary and in the best interest of the organization.

3. Gifts of Cash

- a. Cash contributions must be denominated in US dollars or any other currency which is easily convertible to US dollars and delivered by check, wire, or other form acceptable to FBNN.
- b. Checks shall be made payable to Food Bank of Northern Nevada and will not be payable to an employee, volunteer or any other agent for the credit of FBNN.

4. Gifts of Food and Other Product

- a. FBNN accepts food and other product donations in accordance with its contract and agreement with Feeding America.
- b. FBNN also reserves the right to consider if a donation is in the best interest of the organization. FBNN may redirect donations to another nonprofit organization.

5. Gifts from Donor Advised Funds

- a. FBNN accepts gifts from Donor Advised Funds (DAF). A DAF is a charitable investment account set up by a donor at a community foundation or qualified financial institution for the purpose of supporting charitable organizations. The Donor can claim a tax deduction for gifts made to the DAF and can then direct funds at a later time to qualified charities.
- b. A DAF gift will be recorded as a cash gift from the entity that administers the DAF with a soft credit to the Donor who requested the gift. FBNN will thank the originating donor along with the entity that administers the fund when that information is provided.

6. Bequests

- a. Donors wishing to make bequest gifts should ask their legal counsel to include the following statement in their will or living trust: I give and bequeath _____ (amount, percent of estate or description of property) to the Food Bank of Northern Nevada.
- b. FBNN recommends bequests not be restricted to specific programs since programs change over time and/or are replaced with other programs. If a Donor wishes to restrict a bequest to a specific program and that program no longer exists at the time the bequest is realized, FBNN will put the gift toward a program that is similar. It is generally FBNN's policy to direct all bequest gifts to the Spendowment Fund if not otherwise directed by the Donor or FBNN Board of Directors.

7. Gifts of Marketable Securities

- a. FBNN will govern the disposition of securities and will make all decisions regarding the sale or retention of securities. Typically, all gifts will be sold within 14 days of receipt.
- b. The value of a gift of securities is the mean between the high and low price per share on the date of the gift, multiplied by the number of shares gifted.

8. Gifts from an IRA

- a. A Donor may make a gift from a traditional Individual Retirement Account (IRA) to FBNN. Donor should work with the IRA account manager to make the donation and should follow the IRS guidelines for qualified charitable distributions from an IRA, including minimum age requirements, maximum annual gift amounts and filing requirements. FBNN can provide the necessary information or documents needed to effectuate the gift.
- b. A gift from an IRA, also called a Charitable IRA Rollover, is a cash gift and will be recorded as such by FBNN at the time of receipt.

9. Gifts of Tangible Personal Property

- a. Gifts of tangible personal property will generally be accepted if the property is either usable by FBNN in support of its charitable purpose or can be expeditiously sold for an amount approximating the fair market value.
- b. All such gifts will be placed in FBNN's books fair market value unless a valid independent, qualified appraisal is supplied.
- c. Establishment of value is the responsibility and expense of the Donor. If the value is presumed to be in excess of \$5,000 the Donor must have an independent, qualified appraisal done, with the appraisal summary on the back of the IRS Form 8283 filled in and signed by the appraiser and FBNN. FBNN shall keep a copy on record.

- d. For non-cash, non-publicly traded stock gifts in excess of \$5,000, if the asset is sold within three years of receipt, FBNN shall file form 8282 with the IRS within 125 days of the sale and shall provide a copy to the Donor.
- e. Gifts of art will generally be accepted; however, the decision whether the art is put to a related use rests with FBNN.
- f. It is the general policy of FBNN to not accept gifts of vehicles, boats, motorcycles and RVs. FBNN reserves the right to consider such a gift. Any gift in this category will be valued by FBNN at the retail price per appropriate resource, less any necessary repairs. The vehicle/boat must be currently registered, insured, and in drivable/operable condition with proof of title. FBNN will report the condition of the vehicle and range of value per the above methods to the Donor. FBNN may use a third-party company to process these types of donations including taking possession of the vehicle/boat, valuing it, selling it and providing FBNN with the proceeds less any applicable fees.
- g. Gifts of airline air miles to FBNN will be used for mission-related travel or if allowable, converted to cash and used to support FBNN operations and programs. The Donor should contact the airline and follow its procedures for donating air miles. The IRS recognizes the donation of airline miles or points as a gift from the airline to a nonprofit organization; and therefore, the donated miles are not considered tax-deductible by the Donor. In some circumstances, FBNN may refuse to accept such gifts if restrictions present too many complications for utilization.
- h. In accepting gifts of tangible personal property, FBNN will take into consideration transportation costs, storage costs, costs associated with selling, maintenance, repair, and usefulness to FBNN.
- i. The Donor can receive a charitable deduction only for the cost basis for gifts of tangible personal property not related to FBNN's purpose.

10. Gifts of Real Property and Real Estate Related Assets

- a. Gifts of real property will be considered by FBNN after the organizations has had the opportunity to evaluate several factors including but not limited to the character of the property; its physical condition; its salability/marketability; observation of any apparent hazards or other liabilities; determination if the property has any sacred, cultural or religious value; and the property has received a preliminary title report.
- b. An independent, qualified appraisal of the property acceptable to FBNN must be completed, at Donor's expense within 90 days of the gift offering.
- c. FBNN reserves the right to request special inspections based on preliminary knowledge of the property, which might be at Donor's expense.
- d. FBNN will generally not accept property encumbered with debt or to which a lien has been issued.

- e. A title insurance policy in favor of FBNN is required at Donor's expense with title in a form and upon terms acceptable to FBNN. In some cases where the Donor retains no interest in the gift, FBNN may elect to pay the title insurance costs.
- f. Upon acceptance of a gift of real property, FBNN will determine if the property is to be held or sold. If held, FBNN may choose to appoint a person or firm to manage the property. It is generally FBNN's policy to sell property.
- g. FBNN may utilize nominee entities to take actual title to the Real Estate.
- h. FBNN shall record the value of real property on its balance sheet at the current appraised value. A current appraisal is an appraisal of real estate by an independent, qualified individual or firm in the business of rendering real estate appraisals and said appraisal shall not be more than 12 months old.
- i. If there is no current appraisal, real property shall be recorded at the Fair Market Value as determined by the County Tax Assessors office in the county where the property is located unless FBNN seeks a qualified appraisal.
- j. Real estate related assets shall be valued at the lower of the invested value (plus any accrued earnings) or the Net Fair Market Value (adjust for minority interest).
- k. Water rights shall have two classes composed of surface water rights and underground water rights. They shall be valued in addition to the land values for real property and real estate related assets. Using qualified third party resources, surface water rights shall be valued at the last known marketable rate per acre foot or not be more than 12 months old. Underground water rights shall be valued at the last known marketable per acre foot or not be more than 12 months old.

11. Gifts of Life Insurance

- a. Only life insurance policies in which FBNN is irrevocable owner and beneficiary will be recorded and reported. The Donor must relinquish all incidents of ownership in the policy.
- b. A Donor may contribute an existing life insurance policy or recommend that FBNN purchase a new policy (from an agent and insurance company recommended by the Donor). Fund assets, or on-going Donor contributions endorsed by enforceable pledges to provide for the payment of all premiums, shall be used to pay annual premiums.

12. Gifts of Cryptocurrencies

- a. FBNN may accept Cryptocurrencies as gifts, subject to a number of conditions. Should the conditions be met, then cryptocurrency gifts may be accepted to fund any and all charitable activities, as recommended by the Donor.

- b. At this time FBNN may accept Bitcoin. Other cryptocurrencies shall be evaluated on a case-by-case basis. Such transaction is subject to an operational policy in accordance with applicable laws and regulations.

13. Gifts of Mineral Rights

- a. FBNN may work with a local, regional or national community foundation or other qualified institution on evaluation and acceptance of the mineral rights to benefit FBNN. The following steps must be taken:
 - 1) Before accepting, a full and independent, qualified appraisal of the mineral interests and royalty rights should be secured.
 - 2) Obtain and review all mineral deeds, quitclaim deeds, and or warranty deeds.
 - 3) Seek a copy of the last independent reserve report and review who made the report. If the report is more than two years old, find out the approximate costs for an update. Determine whether it is feasible to perform an update, if desired.
 - 4) Determine who the primary operators are and procedures to transfer ownership and collect revenue checks. Determine if there are any revenue-sharing or cost-sharing provisions.
 - 5) Obtain bid price for selling the mineral and royalty rights, should liquidation of the asset be desirable.

14. Charitable Remainder Trusts

- a. A Charitable Remainder Trust (CRT) is a tax-exempt, irrevocable trust designed to provide income to the beneficiaries of the trust for a specified period of time then donate the remainder of the trust to a designated charity. A CRT is called a “split-interest” gift vehicle because it allows the trustor to make contributions, be eligible for a partial tax deduction and donated the remaining assets.
- b. Should Donor desire to create a charitable remainder trust (CRT) or charitable lead trust (CLT) to benefit FBNN, FBNN may work with a local, regional or national community foundation, trust company or other institution that is qualified and has experience managing CRTs and CLTs.

15. Charitable Gift Annuities

- a. A Charitable Gift Annuity (CGA) is a planned giving arrangement between a donor and a designated charity in which the donor receives a regular payment for life based on the value of assets transferred to the organization. After the death of the donor, the assets are retained by the organization.
- b. Should Donor desire to create a CGA to benefit FBNN, FBNN may work with a local, regional or national community foundation, trust company or other institution that is qualified in managing CGAs. Such organizations must have appropriate state licensure to issue annuities, experience managing annuities and use the American Council on Gift Annuity rates for all annuities.

16. Other Charitable Gifts

- a. FBNN may consider other types of charitable gifts on a case by case bases, and will perform due diligence on any such gifts, follow all laws and regulations and determine if gifts are in the best interest of the organization.

17. Code of Ethics and Stewardship

- a. Representatives of FBNN shall exercise caution to avoid pressure, persuasion or undue influence when a representative is to inform, counsel and assist the donor in gift planning concerns, including the exercise of prudent consideration of the donor's personal interest as well as charitable objectives.
- b. All personnel employed by FBNN to contact prospective donors or to promote the planned gifts program shall be paid a salary or fixed wage and shall not receive commissions which could give such personnel a direct beneficial interest in any agreement.
- c. FBNN has adopted the Association of Fundraising Professionals Code of Ethical Standards.
- d. FBNN will be responsible for good stewardship toward its donors by following these guidelines:
 - 1) All gifts will be acknowledged promptly.
 - 2) All gift acknowledgment letters/receipts will be prepared officially following the policies of FBNN.
 - 3) Gifts to FBNN shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP), IRS or other accredited organization.
- e. Generally speaking, donor recognition mechanisms may include electronic and printed materials, donor recognition walls/structures, FBNN program and operations vehicles/trucks and opportunities to name spaces.

18. Records and Confidentiality

- a. We maintain confidentiality of donor information but may need to disclose information as per local, state and federal laws and regulations. Use of this information shall be restricted to organization purposes only.
- b. Gifts to FBNN and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition materials. All donor requests for confidentiality or anonymity will be honored.
- c. Files, records, and mailing lists regarding all donors and donor prospects are proprietary and maintained and controlled by FBNN. It is FBNN's policy to not sell lists.