

**PURPOSE AND NEED**

The Coalition for Sonoran Desert Protection (“CSDP”) solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. We appreciate all donors and businesses that generously give to further our mission of protecting the Sonoran Desert – thank you! The purpose of this policy is to be open and transparent about our policies for accepting gifts and to provide useful information to our donors.

All decisions to solicit and/or accept potentially controversial gifts will be made by the Executive Committee of the Board of Directors. The primary consideration will be the impact of the gift on the organization. This policy shall be reviewed and updated from time to time as needed.

CSDP urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

**POLICIES AND GUIDELINES**

The following policies and guidelines govern acceptance of gifts made to CSDP for the benefit of any of its operations, programs or services.

**Factors for consideration when accepting gifts**

When considering whether to solicit or accept gifts, the organization will consider the following factors:

1. **Values**—whether the acceptance of the gift compromises any of the core values of CSDP.
2. **Compatibility**—Whether there is compatibility between the intent of the donor and the organization’s use of the gift.
3. **Public Relationships**—whether acceptance of the gift could damage the reputation of CSDP.
4. **Primary Benefit**—whether the primary benefit is to CSDP, versus the donor.
5. **Consistency**—is acceptance of the gift consistent with prior practice?
6. **Form of Gift**—Is the gift offered in a form that CSDP can use without incurring substantial expense or difficulty?
7. **Effect on Future Giving**—Will the gift encourage or discourage future gifts?

**Assigning a value to gifts**

CSDP will not appraise or assign a value to a gift other than face value, such as cash.

It shall be the donor's responsibility to establish a value for the gift and to provide, at the donor's expense, a qualified appraisal required by the IRS in the case of assets valued in excess of \$5,000 (\$10,000 for non-publicly traded stock). The gift will be completed by the execution and delivery of a Deed of Gift or other appropriate conveyance, and the delivery of the property, as applicable. The donor will pay the costs associated with the conveyance and delivery of the gift. In addition, the filing of Form 8283 (instructions) by the donor is required by the IRS for gifts of assets valued at more than \$500 and should be included in the donor's tax return. We recommend donors become familiar with the Donor's Bill of Rights (see Appendix).

### **Use of Legal Counsel**

CSDP will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

1. Gifts of securities that are subject to restrictions or buy-sell agreements.
2. Documents naming CSDP as trustee or requiring CSDP to act in any fiduciary capacity.
3. Gifts requiring CSDP to assume financial or other obligations.
4. Transactions with potential conflicts of interest.
5. Gifts of property which may be subject to environmental or other regulatory restrictions.

### **Restrictions on Gifts**

CSDP will not accept gifts that (a) would result in CSDP violating its corporate charter, (b) would result in CSDP losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for CSDP, or (e) are for purposes outside CSDP's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee of the Board of Directors.

### **Gifts Generally Accepted Without Review**

The following gifts are generally accepted by CSDP without review:

1. **Cash:** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), card number, expiration date, and name of the card holder as it appears on the credit card. Credit card gifts can be made through a paper donation form or online at CSDP's website ([www.sonorandesert.org](http://www.sonorandesert.org)).
2. **Marketable Securities:** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by CSDP's Board of Directors. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of

the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Executive Committee of the Board of Directors.

3. **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans:** Donors are encouraged to make bequests to CSDP under their wills, and to name CSDP as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
4. **Charitable Remainder Trusts:** CSDP will accept designation as a remainder beneficiary of charitable remainder trusts.
5. **Charitable Lead Trusts:** CSDP will accept designation as an income beneficiary of charitable lead trusts.

### **Gifts Accepted Subject to Prior Review**

Certain forms of gifts or donated properties may be subject to review prior to acceptance.

Examples of gifts subject to prior review include, but are not limited to:

1. **Tangible Personal Property.** The Executive Committee of the Board of Directors shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?
2. **Life Insurance.** CSDP will accept gifts of life insurance where CSDP is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.
3. **Real Estate.** All gifts of real estate are subject to review by the Executive Committee of the Board of Directors. Prior to acceptance of any gift of real estate other than a personal residence, CSDP shall require an initial environmental review by a qualified environmental firm. If the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include, but are not limited to, the following: Is the property useful for the CSDP's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

### **Procedures for accepting gifts of tangible personal property or real estate**

CSDP will adhere to the following procedures when accepting gifts of tangible personal property or real estate:

1. When a gift and/or a gift-in-kind is accepted, a Deed of Gift will be provided to the donor.
2. The donor will sign the deed, return it to the CSDP, and make transfer arrangements for the gift property.
3. When the property arrives, the receiver will sign the deed confirming that the property was delivered along with any notes and/or photos as to its condition.
4. The executed Deed of Gift will be given to the CSDP Program and Operations Manager for processing.
5. If the property is valued in excess of \$5,000, the donor will be responsible for obtaining a written qualified independent appraisal (see below for more details) in order to substantiate the gift with the I.R.S. The appraisal must be dated no earlier than 60 days before the deed of gift or no later than the date the donor files her/his/their income tax return including any exclusions. A copy of the appraisal shall be permanently retained in the Board minutes.
6. The CSDP Program and Operations Manager will send appropriate tax information to the donor in a timely manner with all necessary tax forms included.
7. The CSDP Program and Operations Manager will enter the gift at its appraised value into the CSDP books and will provide a copy to the Board Secretary for the organization's permanent files.

#### **Procedures when an independent qualified appraisal is required for a gift**

If an independent qualified appraisal is required, the donor should ensure that following information is included in the independent qualified appraisal, per Section 170 of the I.R.S. code:

1. Full description of the property.
2. The physical condition of any tangible property.
3. Date (or expected date) of contribution.
4. List how the property will be used by CSDP.
5. Name, address, and taxpayer identification number of the appraiser.
6. Qualifications of the qualified appraiser.
7. A statement that the appraisal was prepared for income tax purposes.
8. Date (or dates) the property was valued.
9. The appraised fair market value (one figure, not a range) on the date (or expected date) of the contribution.
10. Method of valuation (income approach, comparable sales or market data approach, replacement cost less depreciation, etc.).
11. The specific basis for the evaluation.
12. Name, address, taxpayer identification number of the donor.
13. Manner and date of acquisition and cost basis.

14. Name, address, taxpayer identification number of the donee (CSDP tax ID # is 82-2156664).

For additional information, refer to IRS Publication 561, Determining the Value of Donated Property.

For complete information, donors are encouraged to consult their tax advisor.

## **APPENDIX: GIFT PROCESSING AND RECEIPT INFORMATION AND THE DONOR BILL OF RIGHTS**

*The following information is provided as a courtesy to all CSDP donors.*

### **GENERAL GIFT PROCESSING INFORMATION**

#### **Determining “Date of Gift”**

“Date of Gift” is the legal date of a gift/pledge for tax filing purposes (the date the donor relinquishes control of the asset(s)). Legal “date of gift” is determined by the postmark date for items received via the U.S. Postal Service. Items received through private courier (i.e. UPS, Federal Express) are dated with the date of receipt by CSDP. Transactions received by telephone (i.e. credit card calls, telephone pledges) are dated with the date the call is received.

According to IRS guidelines established for determining date of gifts, the envelopes must be retained. In addition, items should be stamped or notated with the date received and initialed by the recipient(s). For gifts handed to an individual, the date the gift was placed into the CSDP employee’s hands shall be notated or stamped. CSDP will follow the following guidelines for different types of gifts regarding the “date of gift”:

1. **Charge Cards**
  - a. Gifts/payments are the date the charge clears through the CSDP’s credit card merchant service.
2. **Securities**
  - a. Date supplied by broker (date owner relinquishes control)
  - b. If certificates are received by CSDP, guidelines for other gifts/pledges are followed
3. **All other Gifts/Pledges**
  - a. Received via the U.S. Postal Service
    - i. The postmark.
    - ii. If two postmarks exist, the earlier date prevails unless it is a metered postmark, the official U.S. Postal Service postmark is used.
    - iii. If the postmark is missing, then the earliest date that the recipient can determine its arrival – thus the importance of stamping or notating the date first received.
    - iv. If no date for receipt, then arrival date for deposit.
  - b. Received by private courier (i.e. Federal Express, UPS)
    - i. The date received by the recipient (CSDP).
    - ii. If there is no indication of the arrival at CSDP or PO Box, then arrival date for deposit.
  - c. Received by hand delivery
    - i. The date received by a CSDP agent (volunteer, contractor/employee)

- ii. The date received at the CSDP offices.
- iii. If no indication of arrival at the YWCA, then arrival date to employee or volunteer board member tasked with handling/depositing gifts.

### **Gift (Tax) Receipt**

A gift receipt is notification to the donor of receipt of their gift. These are mailed directly to the legal donor of the gift for tax filing purposes. The receipt contains the amount of the gift, a description of the property transferred, date of gift, designation of gift, information along with a statement regarding any goods or services provided in consideration of the gift.

### **THE DONOR BILL OF RIGHTS<sup>1</sup>**

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given. This includes clarification of the donor's intent at the outset of a funding relationship, volunteer willingness and capacity, and expected duration of ongoing support.
- V. To receive appropriate acknowledgement and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors. Professional advisors, consultant, referral sources or any others seeking to influence a donor's philanthropic decision will inform the donor of

---

<sup>1</sup> "Donor Bill of Rights" Adapted from © 2013, Association of Fundraising Professionals (AFP), all rights reserved, and Rethinking and revising the "Donor Bill of Rights," Bruce DeBoskey, Philanthropic Strategist, Minnesota Philanthropy Partners, Planned Giving Design Center, October 2016. Reprinted with permission from the Association of Fundraising Professionals. Adopted August 27, 2015; revised February 22, 2017.

any conflicts of interest, referral fees, dual retention arrangements or other such agreements.

- IX. To expect that the donors' names and personal information will not be shared, sold or rented. This includes assurance that each donor's privacy is adequately protected, including internal management and technology controls to prevent inadvertent or unwanted disclosure of personal information. The Inver Hills Foundation collects the following donor information: name, phone number, email address, and physical address. It is collected via website, when an individual donates or fills out a pledge form. The information is used to send a gift receipt, acknowledge the gift in annual report, for future solicitations, and for event invitations,
- X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.