

The Daniel Foundation Gift Acceptance & Fundraising Policy

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INTRODUCTION

The Daniel Foundation encourages the solicitation and acceptance of gifts for purposes that help the organization further and fulfill its mission. The Daniel Foundation Board of Trustees and staff solicit outright and deferred gifts from individuals, foundations, and corporations to secure the future growth of the Foundation. Positive relationships among all these parties are essential to the Daniel Foundation's financial stability. Responsibility for the preservation and enhancement of philanthropy shall be retained by the Board of Trustees and carried out as herein defined.

The goal of this fund development & gift acceptance policy is to uniformly treat donors and their gifts with full disclosure and provide guidelines for the acceptance and stewardship of gifts. The provisions of this policy apply to all gifts received by the Daniel Foundation for any of its programs or services. Specific gifts are considered on their merits and final action is taken on those as authorized by the Board of Trustees.

I. LEGAL & ETHICAL CONSIDERATIONS

- A. The Daniel Foundation cannot give accounting, tax, or legal advice but works closely with the donor's advisors. It is strongly encouraged that each donor consults with a qualified advisor. It is the donor's responsibility to secure independent legal counsel for all gifts made to the Daniel Foundation.
- B. Where appropriate, the Daniel Foundation seeks the advice of legal counsel in matters relating to the acceptance of gifts. Review by counsel is recommended for:
 - 1. Gifts where the Daniel Foundation is named trustee;
 - 2. All gifts involving contracts or other documents where the Daniel Foundation is to assume an obligation;
 - 3. All transactions with potential conflict of interest that have the potential for IRS sanctions; and
 - 4. Other instances in which the use of counsel is deemed appropriate by the Board of Trustees.
- C. In situations where advisors retained by the Daniel Foundation prepare documents or render advice in any form to the Foundation and/or a donor to the Foundation, the professional involved is in the employ of the Foundation and is not acting on behalf of the donor in any documents or other advice rendered. The documents should be reviewed by the donor's counsel prior to the completion of the gift(s).
- D. At all times the Daniel Foundation employees, members of the Board of Trustees and other volunteers are to avoid conflicts of interest and the appearance of conflicts of interest. A conflict of interest exists whenever a Daniel Foundation employee or immediate family member has a contractual relationship with an actual or prospective donor or a material interest in a firm that is an actual or potential vendor to the Foundation.

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- E. To avoid any incidence of impropriety, Daniel Foundation employees and members of the Board of Trustees are discouraged from serving as personal representatives or executors of a donor's estate, unless the donor is a relative of the employee or member of the Board of Trustees.
- F. All Daniel Foundation employees are to avoid acts of actual impropriety as well as acts that create the appearance of impropriety. Therefore, employees are discouraged from serving as the executor, administrator, or trustee of any will or trust in which the Daniel Foundation is named as a beneficiary regardless of the date of the dispositive document.
- G. The Daniel Foundation does not pay fees to any person as consideration for directing a gift to the Foundation.
- H. The Daniel Foundation does not pay commissions or percentages associated with negotiation and acceptance of any form of gift.
- I. In accordance with the Association of Fundraising Professionals' *Code of Ethical Principles & Standards of Professional Practice*, no fundraiser is compensated based on a percentage of funds raised or on a contingent basis. Non-exempt fundraisers in the employ of the Daniel Foundation are compensated based on the number of hours worked. Independent contractors and consultants are compensated on a project basis.

II. POLICY ADMINISTRATION

- A. The Foundation staff is responsible to the CEO and the Development Committee for day-to-day management of all fundraising activities. Professional and support staff will provide the following:
 - a) Leadership, management, and direct support to fundraising programs;
 - b) Acknowledgement of all gifts and maintenance of donor records and recognition;
 - c) Accounting for all gifts received;
 - d) Supervision of annual budget, capital campaign and planned giving programs;
 - e) Direction of all employees, consultants, and vendors hired to support the Foundation.
- B. Active volunteer participation in the fund development program is essential to its success. The roles of volunteers are defined as to level of responsibility, period of service, reporting relationships, staff support, and other details as required. A volunteer recognition program is provided to honor the service given by those who lead and assist the Daniel Foundation.
- C. All fundraising activities shall be approved in advance by the development committee and the CEO for approved priorities only. Goals and budgets associated with their achievement shall be prepared in advance of active public solicitation.

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D. Procedures for Approval for Gift Solicitation

- a) All priorities for fund development are defined, within procedures established by the CEO and Chief Development Officer, for submission to the Board of Trustees for approval, including budgetary authorization.
- b) Those programs appropriate for fundraising support are identified, and evaluation is performed by Foundation staff to assess anticipated public support, budget, staff, and volunteer requirements for successful solicitation.

E. Coordination of Fund Development Efforts

- a) Prior to approaching a prospective donor for a gift, if possible, Board members, staff, and volunteers should receive approval from the Chief Development Officer who is responsible for tracking solicitations to ensure a coordinated approach to solicitations
- b) Prior to submission of a grant application, the appropriate applicant organization must be determined: the Daniel Foundation, Daniel Memorial, Inc. or Daniel Memorial Properties.

In compliance with Florida law, no consultants may solicit funds for the Daniel Foundation unless they are registered as a charitable solicitor.

F. Public Solicitation Procedures

All charitable contributions, regardless of value, form, or designated use, are made only to this organization, using the proper legal name of this corporation.

Use of “The Daniel Foundation” or any of its logos for any fundraising purpose by any other organization or entity requires prior approval of the Development Committee, acting on recommendations from the Chief Development Officer.

Calendar for Solicitation - Each 12-month period has limited time for fundraising activities. Coordination and cooperation are required in planning each solicitation. Each fundraising program requires time for its own fulfillment and must also respect the preferred periods when other fundraising programs are scheduled. The calendar for solicitation shall be reviewed and approved by the Development Committee within 60 days of the start of each fiscal year. Modifications to the calendar must be resolved by the Development Committee based on the recommendations of Chief Development Officer.

Special Project Campaigns - Any special project campaign requires approval of the Development Committee prior to initiation, based on the following:

- a) Appropriate fit to the existing calendar of fundraising activities;
- b) Recruitment of an adequate volunteer committee or sponsoring agency or organization; and
- c) Demonstrated potential for benefit and/or profit.
- d) Separate solicitation programs may be developed to meet urgent priorities or to take advantage of unusual opportunities offered by donors that match well with current fund development objectives.

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- G. Overall responsibility for assuring compliance with the requirements of this policy is assigned to the Chief Development Officer.
- H. All restricted and unrestricted monies received by the Daniel Foundation are put to immediate use or invested under the guidelines of the investment policy adopted by the Board of Trustees.
- I. The Daniel Foundation's gift accounting policies and procedures are in accordance with generally accepted accounting principles (GAAP) as prescribed by the Financial Accounting Standards Board, including Statements of Financial Accounting Standards Nos. 116 and 117.
- J. No refunds of donations used in accordance with the donor's requirements are permitted.

IV. DONOR CONSIDERATION & RECOGNITION

- A. All programs, trust agreements, contracts, or commitments benefit, first and foremost, the individual requirements of the donor, and secondly, the Daniel Foundation. A charitable gift that benefits the Daniel Foundation at the expense of the donor's interest will not be encouraged.
- B. The Daniel Foundation accepts unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. The Daniel Foundation does not accept gifts that are excessively restrictive in purpose. Gifts that are restrictive include those too difficult to administer or those for purposes outside the mission of the Foundation. All final decisions on the restrictive nature of the gift, and its acceptance or refusal, will be made by Development Committee.
- C. A donor may not restrict how gift, bequest, or endowment funds are invested by the Daniel Foundation. All donors of major gifts and endowment funds are notified prior to the gift being made that investment of their gift is in accordance with the investment policy adopted by the Board of Trustees. Such notice informs the donor that his/her gift or endowment fund is not segregated but is commingled with the Daniel Foundation's other investments.
- D. Any gift may be made in honor of or in memory of the donor or anyone he/she may wish to designate. Notice of the person honored or memorialized must be provided in writing at the time the gift is made. Upon request, notification of the gift is mailed to a third party. The gift amount is not disclosed.
- E. Gifts made by a donor on behalf of another individual are credited to the actual donor's record. The individual on whose behalf the gift is made receives soft credit only.
 - 1. Soft credit is the dollar value of a gift that can be applied toward a naming opportunity, endowment, or unrestricted gift.
 - 2. The soft credit will not be included in the annual giving statement of the individual on whose behalf the gift is made.

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F. Donor Privacy

1. All information concerning donors or prospective donors, including their names, the names of their beneficiaries, the exact amount of the gift, size of the estate, or any other information for which there is a reasonable expectation of privacy and/or confidentiality is kept strictly confidential by the Daniel Foundation, its Board of Trustees, volunteers, and staff, unless written permission is obtained from the donor to release such information.
2. Donors who wish to remain anonymous and not be included in published lists of donors must state so at the time of the gift. Completion of the donation remittance envelope or mention of name on any correspondence accompanying the donation is deemed written permission to be included in published lists of donors.
3. Donors are welcome to request and receive a complete copy of their records.
4. Only authorized Daniel Foundation staff and members of the Board of Trustees are permitted to view donor files.
5. Donor files remain onsite at the Daniel Foundation.

G. All recognition and reward accorded to donors by reason of their gift frequency, amounts, or cumulative total shall be in accordance with the honors and recognition guidelines contained herein.

H. Donors and prospective donors may opt out of fundraising mailings via telephone, letter, e-mail, or in person.

I. The Daniel Foundation does not sell or share its donor and mailing lists with other organizations.

J. Honors & Recognition

1. Formal recognition of distinguished service to the Daniel Foundation, in the forms of gift support and voluntary time and talent, shall receive official consideration by the Board of Trustees. The qualifications, review and decision procedures, and methods of recognition to be followed in regard to gift support in many of its forms, and as specified in this section, are (a) the naming of buildings, property, or any space therein or (b) the conferring of awards or citations on any individual, institution, association, or society for gift support or services rendered.

K. Guidelines

- a) The Board of Trustees, in concert with the Development Committee, assesses each recommendation for honors and recognition. The relationship between the honoree's qualifications and the size and scope of the project supported are considered. Consideration in the conferral of honors and recognition will include the following:
 - i. Benefit to the Daniel Foundation or Daniel Memorial, Inc;

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- ii. Visibility and prominence accorded to the honoree; and
 - iii. Use of honors and recognition to further the goals and objectives of the Daniel Foundation in financial gain and in public recognition and respect.
- b) Individuals or institutions that make large contributions are qualified for honors and recognition. Gifts are recognized at the discretion of the Development Committee.
- c) Recommendations for honors and recognition are made to the Board of Trustees after review and approval by the Development Committee, with adequate details on the individual or institution to be honored and the reasons for such action by the Board of Trustees.
- d) The Daniel Foundation may establish and confer at its pleasure such awards or citations upon individuals or institutions in recognition for voluntary service and/or financial contributions. These awards or citations may be given at such time and on such occasions as the Board of Trustees determines. Recommendations for conferring an award or citation are directed to the Development Committee, which confers with the Chairman of the Board of Trustees and the CEO before action is taken.

L. Public Notice

- a) Honors and recognition decisions present opportunities for public announcement. Agreement for such public notice is requested of each honoree, or his/her family or representative(s), in advance. Honorees have the opportunity to notify family and friends and to invite their participation with the Daniel Foundation in any dedication ceremonies and receptions conducted in connection with the conferring of honors and recognition. The CEO and CHIEF DEVELOPMENT OFFICER are responsible for such public notice.
- b) Various forms of recognition are available in accordance with the wishes of the donor. Details as to form are included in recommendations submitted to the Development Committee. Forms of recognition may be among the following: formal dinners, receptions, plaques, gifts to donors and honorees, reports in the Daniel Foundation publications, and other forms of recognition.
- c) Materials, typeface, and presentation forms must be consistent with the graphics standards established by the Daniel Foundation. The application of overall visual aids, signage, and graphics must be in accordance with graphics standards established by the Daniel Foundation.

M. Naming of Buildings or Space Therein

- a) All areas of the Daniel Foundation, Daniel Memorial, Inc., and Daniel Properties' campuses are subject to naming. Such identification is appropriate in light of the gift or gifts received and will be sensitive to function and location while being consistent with the building's interior or exterior design.
- b) Before making exceptions to the policies for naming opportunities, the Development Committee and Board of Trustees considers the following facts and circumstances pertaining to the gift:

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- i. Certainty of the assets to be donated and their future value to the Daniel Foundation;
 - ii. Likelihood of the donor having a “change of heart”;
 - ii. Estimated present value of the gift;
 - iii. Donor’s connection to the Daniel Foundation;
 - iv. Donor’s giving history; and
 - v. Donor’s record of volunteer service to the Daniel Foundation.
- c) The Daniel Foundation reserves naming opportunities for outright gifts and living donors. Use of an estate or planned gift to name property is considered on a case-by-case basis. Unless legally impossible, the Daniel Foundation treats estate and planned gifts with naming elements as a request. The Daniel Foundation honors the request at the final distribution of the gift when the name is appropriate and the gift meets minimum funding for the naming opportunity at the time of distribution. The Daniel Foundation reserves the right to decline gifts with naming restrictions.
- d) Donors who wish to name an item during a campaign may use the present value of a planned gift only if the following criteria are met:
 - i. The gift is irrevocable;
 - ii. The Daniel Foundation is given a copy of the gift instrument; and
 - iii. The present value of the gift equals the minimum funding amount of the naming opportunity.
- f) The Daniel Foundation reserves the right to honor, through appropriate naming opportunities, any individual or family irrespective of the individual or family’s giving record.

VII. GENERAL GIFT ACCEPTANCE

A. Processing Gifts

1. Gifts are recorded as of the date postmarked, if received via postal mail. Hand-delivered gifts are recorded as of the date of receipt.
2. When a donation is received, a copy of the check and remittance envelope and/or accompanying letter is made and filed appropriately.
3. If the donation is made using a credit card, the name of the donor is written on the credit card receipt and stapled to the original remittance envelope or letter when delivered to the business office for posting.
4. The correct general ledger code is written on checks and credit card receipts.
5. Gifts in any form received near the date ending the fiscal or calendar year may be credited to the prior reporting period if there is evidence the donor intended to make the gift within this period and the gift is received and processed within 10 days of the closing date for the fiscal year-end.

B. Crediting Gifts

1. The net amount of donations made through the United Way of Northeast Florida are soft-credited to a donor for recognition purposes. For accounting purposes, the donations are recorded net of United Way’s administrative fees.

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2. Corporate matching gifts are encouraged, and the donor receives a soft credit for the match.

C. Pledges

1. Pledges are considered on a case-by-case basis.
2. Pledges may be fulfilled on a schedule established by the donor over a specified period, up to a maximum of five years from the date of the pledge. Irrevocable deferred gift arrangements are exceptions and are governed by the terms of the trust.

D. Use of Grant Funds

1. All grant funds given to the Daniel Foundation are to be spent in accordance with the funding agreement as specified by each grant.
2. Prior to submission of a grant proposal, the grant writer is responsible for verifying that the Daniel Foundation and Daniel Memorial Inc. can use the funds as requested.

E. Gift Acknowledgement and Substantiation - All donors are furnished gift acknowledgement letters within 24-48 hours and no later than 5 days after receipt of the gift. Overall responsibility for assuring compliance with the Internal Revenue Service (IRS) requirements and this policy's guidelines regarding gift acknowledgement and substantiation belongs to the CHIEF DEVELOPMENT OFFICER.

1. Acknowledgement for all gifts over \$250 and gifts of \$75 or more for which a benefit was offered by the Daniel Foundation to the donor, whether or not the benefit was utilized by donor, includes proper language related to valuation of the donor's deduction permitted as stated in the current IRS regulations.
2. Gifts are acknowledged in the following manner, when applicable:
 - a. Gifts of \$5,000 and above acknowledged by the CEO
 - b. Gifts of \$250 and \$4,999 are acknowledged by the CHIEF DEVELOPMENT OFFICER
3. In the absence of any designated signatory, any of the other signatories may sign an acknowledgement letter.
4. Gift receipts for in-kind donations may be signed by any member of the Foundation staff at the discretion of the Chief Development Officer. The Administrative Assistant is responsible for keeping a record of gift receipt and date of acknowledgement.
5. All acknowledgments will be recorded in donor database on the date of the mailing.

F. Ownership of Gifts

1. Title to property donated to the Daniel Foundation is held by the organization, not by a single department.

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G. Appraisals and Required IRS Forms

1. Legal and ethical requirements designed to protect both the donor and the Daniel Foundation prohibits the Foundation, as an interested party, from appraising gifts. Such appraisals, if required by law or particular circumstances, are conducted by “qualified appraisers” as defined under IRS regulations. The cost of such an appraisal is the donor’s responsibility. In instances where The Daniel Foundation elects to request an independent appraisal, the Foundation is responsible for the fee. The IRS requires that non-cash gifts, including marketable securities, with a fair market value of over \$500 be documented by the filing of Form 8283 with the donor’s federal income tax return. For gifts with a total value of \$5,000 or more, an appraisal from a qualified appraiser must be attached to Form 8283. The CEO and CFO are authorized to sign the Form 8283 to acknowledge the Daniel Foundation’s receipt of the gift. Daniel Foundation staff may not attest to the value the donor places on the item. When gifts (other than money and publicly traded securities) with a total value of \$5,000 or more are sold by the Daniel Foundation within three years of receipt, the CFO is responsible for filing Form 8282 within 125 days of disposition.

H. Evaluation and Acceptance of Certain Types of Gifts

1. Proposed gifts of real or personal property must be evaluated to determine whether the costs to the Daniel Foundation associated with receiving the gift can prudently be accommodated using other the Foundation resources. For example, accepting real property may require payment of closing costs, payoff of debt secured by the property, and physical changes to the property necessary to assure safety or control environmental hazards. Likewise, the cost to retrofit space on campus and provide necessary utilities to make a proposed gift of equipment usable for the Daniel Foundation purposes may be prohibitive. Occasionally, associated costs may weigh against acceptance of the gift. Acceptance of gifts with reversionary interests or other donor restrictions requires the approval of the Finance Committee. This includes all gifts with life estate interests; any gifts that require the establishment of a new office or program; gifts with naming rights; and gifts with a time schedule or other conditions, such as matching gifts. In addition, the acceptance of in-kind gifts is based upon the relevance to the mission of the Daniel Foundation and/or the financial benefit to accepting said gift. The authority and responsibility for prompt, careful evaluation and acceptance or declination of these gifts lies with the Finance Committee.

I. Declining Gifts

1. Gifts may have to be declined under certain conditions including, but not limited to, the following:
 - a. The gift is restricted and requires support from other resources that are unavailable, inadequate, or may be needed for other institutional purposes.
 - b. The gift is restricted and supports a purpose or program peripheral to existing principal purposes of the Daniel Foundation or perpetuates programs or obligations that dissipate resources or deflect energies from other programs or purposes.
 - c. The gift injures the reputation or standing of the Daniel Foundation or generates such controversy as to substantially frustrate and defeat the purpose to be served.

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- J. Gifts Requiring Financial Commitment from the Organization - Sometimes gifts require a present or future financial commitment from the Daniel Foundation over and above the amount pledged. Before soliciting or accepting any gift that requires a present or future financial commitment from the Daniel Foundation, approval must be obtained from the Board. Examples of some gift-related commitments include the following:
1. To provide matching funds
 2. To continue a project after the gift has terminated or been exhausted
 3. To finance a construction project
 4. To establish a permanent, interest-bearing fund when the gift amount is not large enough to carry out its specified purpose
 5. To finance and/or administer a project outside the routine functioning and operation of the organization
- K. Advertised Gift Program Designations
1. Unrestricted gifts are encouraged, but suggested programs are provided for donors. These specified gift programs are as follows:
 - a. Capital Campaign
 - b. Endowment
 - c. Major Gift Campaign
 - d. Select Projects or Programs
 2. As needed, additional restricted gift categories may be advertised to donors, such as funds for a match. There is no minimum gift amount required for designation to the aforementioned programs.

VI. OUTRIGHT GIFTS

- A. Unrestricted, outright gifts are acceptable in any amount.
- B. Cash
1. The Daniel Foundation accepts cash, checks, money orders, MasterCard, Discover, Visa and American Express.
 2. All checks should be made payable to the Daniel Foundation and should not be made payable to an employee or volunteer for credit to the Foundation.
 3. All checks are deposited in the ordinary course of business. No employee is authorized to delay deposit.
- C. Publicly-Traded Securities
1. Securities, which are traded on the New York Stock Exchange, American Stock Exchange, NASDAQ, or other readily available markets, are accepted by the Daniel Foundation. The gift of any securities with market restrictions must be approved by the Finance Committee.

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2. Securities accepted by the Daniel Foundation are generally sold as soon as practicable, unless it is decided by the Finance Committee to hold the securities as investments of the Foundation.
3. The donor is responsible for contacting his/her financial professional to inform him/her of the desire to transfer shares of securities to The Daniel Foundation. Daniel Foundation staff may assist in the gift process by contacting the financial professional to ensure the transaction takes place in as short a time period as possible.
4. Securities are recorded and valued the date they are received by the Daniel Foundation.
 - a. Valuation of a gift of a security is derived from the mean of the high and low prices per share on the date the gift is received.
 - b. For bonds donated, accrued interest is also included in the gift amount.

D. Closely-Held Securities and Ownership Interests

1. Non-publicly traded securities, including limited partnership and similar ownership interests, are accepted only upon prior approval of the Finance Committee.
2. Such securities or interests may be sold only with the prior approval of the Finance Committee or its designated agent.
3. The Daniel Foundation does not enter into any agreement whereby the donation of closely-held stock is contingent on the Daniel Foundation's future obligation to redeem the stock.
4. Because values are not readily accessible and there is an indeterminable discount for illiquidity, no valuation is included on the donor's receipt for gifts of closely-held securities and ownership interests. The donor should consult his/her tax advisor to determine an appropriate deduction to take for such gifts.
 - a. Gift credit for closely-held securities and ownership interests is applied to the donor's record based on proceeds realized upon sale.

E. Real Property

1. The Foundation considers gifts of real property, both improved and unimproved (e.g., detached single-family residences, condominiums, apartment buildings, rental property, commercial property, farms, acreage, etc.), including gifts subject to a retained life estate, only after a thorough review of the criteria for acceptance set forth below.
 - a. Property must be readily marketable and have clear title capable of being insured by a reputable title company at regular rates, unless it is otherwise decided by the Board of Trustees.
 - b. Full interests, partial interests, and remainder interests in real property are all acceptable. Remainder interests are contracts. In the case of such gifts, the donor is expected to agree to pay all property taxes, maintenance expenses, and any property indebtedness.

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- c. Assets may be given outright, serve as the corpus of a trust arrangement, or in the case of a personal residence, be given with the right of lifetime tenancy by the donor and/or the donor's spouse.
 - d. Criteria for Acceptance of Real Property
 - i. Market value and marketability—The Finance Committee must receive a reasonably current appraisal of the fair market value of the property and interest in the property the Daniel Foundation would receive if the proposed gift were approved. The CHIEF DEVELOPMENT OFFICER informs the donor that, if the gift is completed, the IRS requires an appraisal made within 60 days of the date of the gift and that it is the Daniel Foundation's policy to dispose of all gifts of real estate, other than property which he Foundation wishes to retain, as expeditiously as possible. Thus, regardless of the value placed on the property by the donor's appraisal, The Daniel Foundation attempts to sell at a reasonable price, in light of current market conditions.
 - ii. Limitations and encumbrances—The existence of any and all mortgages, deeds of trust, restrictions, reservations, easements, liens, and other limitations of record must be disclosed. No gift of real estate is accepted until all mortgages, deeds of trust, liens, and other encumbrances have been discharged, except in very unusual cases where the fair market value of the Daniel Foundation's interest in the property, net of all encumbrances, is substantial.
 - iii. Carrying costs—The existence and amount of any carrying costs, including but not limited to, property owners' association dues, country club membership dues and transfer charges, taxes, and insurance, must be disclosed by the donor prior to acceptance of the property by the Daniel Foundation.
 - iv. Title information—A copy of any title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney's title opinion, must be furnished.
 - e. Additional considerations include the following:
 - i. Type of real property and location
 - ii. Purpose of the gift (e.g., endowment, unrestricted)
 - iii. Any potential the Daniel Foundation use
 - iv. Any special arrangements requested by the donor concerning disposition (e.g., price considerations; time duration prior to disposition; potential buyers; or realtors/brokers with whom the donor would like the Daniel Foundation to list the property, etc.)
2. The execution and delivery of a deed of gift or other appropriate conveyance completes the gift. The costs associated with the conveyance and delivery of the gift, including but not limited to, recording fees and, if deemed necessary by the Finance Committee, a current survey, title insurance, and/or an attorney's title opinion, are the donor's responsibility.

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F. Personal Property (In-Kind Gifts)

1. “In-kind gifts” refers to the donation of goods and services.
2. Acceptable items include, but are not limited to, the following:
 - a. Food, if in sufficient quantities and in unopened original packaging
 - b. Office equipment, furniture, and supplies
 - c. Tickets to sporting and entertainment events
 - d. Computer equipment and supplies
 - e. Books, if in saleable condition (i.e. covers intact, no water damage, no highlighting)
 - f. Games and entertainment products (i.e., DVDs, CDs, MP3’s)
 - g. Decorations
 - h. Household electronics (i.e., televisions, DVD players, video game consoles, radios, stereos, cameras)
 - i. New blankets, lap robes, quilts, and afghans for common areas
 - j. Musical instruments
 - k. Arts & crafts supplies
 - l. Flowers, trees, and plants
 - m. Durable medical equipment of the type used by the Daniel Foundation or Daniel Memorial, Inc, of which certain items must be unused
 - n. Works of art ready and appropriate for public display in a family environment
 - o. Gift certificates, new products, or other items suitable for use as prizes or auction items
 - p. Motor Vehicles
3. The Daniel Foundation accepts only items that can be used at the facility or readily sold on the open market. Unless there are countervailing circumstances, the agency’s policy is to sell or otherwise dispose of, within one year after the date of gift, any item of personal property that is gifted to the Daniel Foundation and for which the Foundation or Daniel Memorial, Inc. has no use.
4. All gifts of personal property must be reported immediately to the Daniel Foundation. Staff members are encouraged to contact the development office before accepting or taking delivery of in-kind gifts.
5. All donors making in-kind gifts are asked to complete an in-kind donation form so donations are correctly recorded and acknowledged.
6. Only new and gently used items are accepted.
7. The Daniel Foundation does not accept donations of the following property:
 - a. Personal grooming products, unless in unopened original packaging and suitable for distribution as a prize
 - b. Used bedding and linens
 - c. Property where the Daniel Foundation is obligated to maintain ownership of it in perpetuity
 - d. Livestock and other animals

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8. The Daniel Foundation reserves the right to decline any in-kind gifts when the quantity is insufficient for equitable distribution.
9. The Daniel Foundation reserves the right to decline any in-kind gifts deemed inappropriate for children and young adults.
10. Based on the availability of a Daniel Foundation van driver and the travel distance involved, large items accepted as in-kind donations can be picked up from the donor's home or business.
11. Property that requires additional insurance, special facilities, or security to properly safeguard it may not be accepted.
12. All in-kind gifts are acknowledged in writing with a thank you letter and a receipt describing the item. The Foundation cannot provide a donor with the dollar value of an in-kind gift. Such valuations when applicable, relative to "fair market value" of in-kind gifts, need to be professionally assessed and certified elsewhere—if they can be—and that is the responsibility of the donor. This certification subsequently needs to be resolved with the professionals and others who prepare the donor's tax forms—whose work in turn will need to be reconciled with IRS regulations.
13. The following language is included in the receipt provided for the donation of in-kind gifts with an estimated value greater than \$5,000:
 - a. Your gift may require you to complete IRS Form 8283 together with an appraisal of the donated property. Please consult your tax advisor.
 - b. The deduction you receive from this gift may be limited to the lower of the cost or the market value of the goods donated. Please consult your tax advisor.
14. Gifts of Service
 - a. General service - Gift receipts are not issued for gifts of general service. Gifts of general service fall under the purview of the volunteer coordinator and are recognized appropriately. Volunteers may receive gift credit for expense reimbursements donated to the Daniel Foundation, upon request and with appropriate receipts.
 - b. Professional service - In instances where professional services or time are donated or are offered at a discount rate, no tax break whatsoever is allowed, as per IRS Publication 526. However, gifts of professional services and time are eligible for recognition in Foundation collateral.

G. Other Property & Considerations

1. Special consideration is always given to the nature of any gift and whether it fits with the mission of the Daniel Foundation prior to acceptance of any property, whether real or personal.
2. Generally unacceptable property includes the following:
 - a. Mortgages or notes

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- b. Copyrights and other intellectual property rights
 - c. Royalties
 - d. Easements
 - e. Debt-encumbered property
 - f. Oil, gas, and mineral interests
 - g. Time share interests
3. Exceptions to the above restrictions are considered on a case-by-case basis. Prior approval by the Finance Committee is required.
 4. Bargain sales are not acceptable without prior approval from the Finance Committee. - A bargain sale is a transaction in which the Daniel Foundation is provided the opportunity to purchase property at less than its fair market value. The gift is usually the difference between the sale price and the market value.
 5. Automobiles are acceptable as gifts on a case-by-case basis. Vehicles in working order, free of debt, and are suitable for use by the Daniel Foundation or Daniel Memorial, Inc., may be donated directly. Recognition credit for vehicles is based on the Kelley Blue Book value for vehicles retained for use by the Daniel Foundation.
 6. The Daniel Foundation must receive a reasonably current appraisal of the fair market value of the property and interest in the property the Foundation would receive if the proposed gift were approved. The donor is informed that, if the gift is completed, the IRS requires an appraisal made within 60 days of the date of the gift. The appraisal and other information must indicate clearly and convincingly that there is a market for the asset under consideration and that the asset can be sold within a reasonable period of time, if it is not an asset the Daniel Foundation can put to use.
 7. Deed of Gift
 - a. To transfer the ownership or the title of tangible personal property from the donor to the Daniel Foundation requires the physical transfer of the property to the Foundation from the donor along with the formal acceptance of the property by the Foundation. A deed of gift accomplishes this transfer.
 - b. The Daniel Foundation reserves the right to require a deed of gift for any donation of personal property. The deed of gift includes an identification of the property to be transferred and a statement of donative intent signed by the donor.
 - c. Sample language for a deed of gift follows:

DONOR, of , hereby confirms that he is the legal owner of and does hereby irrevocably and unconditionally give, grant, and convey an absolute, unconditional, and undivided interest in the item(s) described below, to the Daniel Foundation for the benefit of the Foundation, hereinafter referred to as DONEE. Title to the items and all associated rights are hereby vested in DONEE, without reservation and free and clear of all encumbrances. DONOR understands and agrees that the item(s) may be displayed, loaned, retained, disposed of, or otherwise employed at the sole discretion of DONEE.

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VII. DEFERRED/PLANNED GIFTS

- A. The negotiation and execution of deferred giving plans is done only through the Foundation department, and the Board has the ultimate authority in this process. Not all gifts are accepted.
- B. When property other than cash, listed securities, or securities traded over-the-counter is involved, final approval of the Board is required to accept or decline a gift.
- C. The following planned giving/life income agreements are acceptable when in compliance with the Internal Revenue Code at the time the gift is established and are subject to reformation as tax laws change:
 - 1. Charitable gift annuities
 - 2. Charitable remainder trust (annuity and unitrust)
 - 3. Charitable lead trust (annuity and unitrust)
 - 4. Life insurance
- D. Charitable Remainder Trusts
 - 1. The Daniel Foundation accepts designation as a charitable beneficiary in both charitable remainder unitrusts (CRUT) and charitable remainder annuity trusts (CRAT).
- E. Charitable Lead Trusts
 - 1. The Daniel Foundation accepts the designation as income beneficiary of a charitable lead trust (CLT). Both charitable lead unitrusts (CLUT) and charitable lead annuity trusts (CLAT) are acceptable forms.
 - 2. The Daniel Foundation accepts designation as a charitable beneficiary in both charitable remainder unitrusts (CRUT) and charitable remainder annuity trusts (CRAT).
- F. Life Insurance
 - 1. The Daniel Foundation accepts gifts of life insurance policies, including whole life, variable, and universal life policies, which meet the following criteria:
 - a. The Daniel Foundation is designated as the owner and the beneficiary of the policy
 - b. The policy is either paid up or, if not paid up as of the date of the gift, meets the following criteria:
 - i. Has a minimum face value of \$25,000;
 - ii. Has a payment schedule not to exceed 12 years and which assumes an interest rate not to exceed one percent below the prevailing prime interest rate; and

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- iii. Requires a written pledge of a charitable contribution from the donor to The Daniel Foundation in a total amount that equals or exceeds the total premiums due and with pledge payments scheduled that equal or exceed each policy premium payment as that payment becomes due. This written pledge must also acknowledge the resulting right of The Daniel Foundation to cash in the policy and apply the proceeds of the same for the benefit of The Daniel Foundation as the Board of Trustees deems appropriate, giving due consideration to the donor's intent.
2. Gifts of paid-up life insurance are preferable, as these are completed, no contingent gifts. However, designations of contingent term life insurance policies are accepted by The Daniel Foundation under certain circumstances. The Daniel Foundation encourages donors to name The Daniel Foundation as the exclusive beneficiary for life insurance policies that have been purchased on their lives. Likewise, The Daniel Foundation accepts the naming of The Daniel Foundation as a partial interest beneficiary of life insurance policies that donors have purchased on their lives.
3. The Daniel Foundation does not, as a matter of course, agree to accept gifts from donors for the purpose of purchasing life insurance on the donor's life. In the event an exception is made, The Daniel Foundation only considers the naming of The Daniel Foundation as the exclusive irrevocable beneficiary of insurance policy(ies) purchased on the lives of the donors with gifts from donors if the insurance policy(ies) are owned by The Daniel Foundation.
4. The Daniel Foundation gives full recognition credit for the face value of a life insurance policy given to the Foundation if the policy is fully paid-up and the insured is age 55 or older. The Daniel Foundation reserves the right to determine what constitutes "fully paid-up" policy status.
5. The Daniel Foundation must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its cash surrender value upon receipt. If the donor contributes future premium payments, the Daniel Foundation includes the entire amount of the additional premium payment as a gift in the year it is made.
6. If a policy is not fully paid up and the donor does not elect to continue making gifts to cover premium payments on the life insurance policy, the Daniel Foundation may:
 - a. Continue to pay the premiums;
 - b. Convert the policy to paid-up insurance; or
 - c. Surrender the policy for its current cash value.

G. Bequests

1. A bequest is a gift of any amount or form made to the Daniel Foundation in a donor's will. Bequests may provide for a specific dollar amount in cash, specific securities, or specific articles of tangible personal property.

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2. The Daniel Foundation is pleased to be named as a charitable beneficiary in a donor's will. Donors may make bequest provisions that name the Daniel Foundation as any of the following:
 - a. Sole beneficiary;
 - b. Beneficiary of a portion of the estate (e.g., 30%, 50%, etc.);
 - c. Beneficiary of the remainder of an estate or a portion of the remainder of an estate after specific needs have been fulfilled;
 - d. Beneficiary of a specific dollar legacy; or
 - e. Contingent beneficiary.
3. Gifts can be made to the Daniel Foundation through the execution of a new will or through a codicil to an existing will.

H. Retirement Plan Beneficiary Designations

1. The easiest way for a donor to donate retirement plan assets is to designate the Daniel Foundation as a primary beneficiary. Donors can contact the administrator of their plan to receive the correct forms to sign. For 401(k)s, if a donor is married, the spouse must waive his or her right to survivor benefits from the plan. Donors can specify an amount or percentage of the retirement plan assets to be gifted to the Daniel Foundation. Donors can also designate the Daniel Foundation as the secondary beneficiary. An alternative is to have retirement plan assets transferred at death to a charitable remainder trust.
2. Retirement plan beneficiary designations and bequests are not recorded as gifts to the Daniel Foundation until the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of the gift is recorded at the time the gift becomes irrevocable.

VIII. ENDOWMENT FUNDS

- A. Endowment funds are funds in which the donor has stipulated, as a condition of the gift, that the principal of the fund is to be maintained by the Daniel Foundation in perpetuity and only investment income and net appreciation may be expended for the general charitable purposes of the Foundation.
- B. Endowment fund income and net appreciation can be unrestricted or restricted by a donor for use in a particular program(s) or interest area(s) of the Daniel Foundation.
- C. Donors are encouraged to recognize that over the many years following the establishment of an endowment, the needs, policies, and circumstances of the Daniel Foundation can change in unforeseen ways. The Board of Trustees must have the flexibility to make use of funds in the best interest of the institution and in accordance with donor interests and specifications. Thus, donors are advised to describe the specific purposes of their gifts as broadly as possible and to avoid detailed limitations and restrictions. Donors considering bequests for a specific purpose are encouraged to consult with the Chief Development Officer and/or the CEO.
 1. Donors are encouraged to include descriptive language to the effect, "if the Board of Trustees determines that this use is no longer necessary or appropriate, members are

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authorized to direct the income or principal of the fund for another use agreed upon through a special resolution of the Board, with preference given for another use most in keeping with the original intent of the fund.”

- D. Donors are encouraged to establish endowments that provide funding for areas of ongoing budgetary need. Finance Committee reserves the right to decline gifts that do not meet these criteria.
- E. Endowment gifts are commingled in the long-term investment portfolio of the Daniel Foundation and adhere to the investment policy of the Daniel Foundation, as adopted by the Board of Trustees.

IX. SPECIAL EVENTS

Special events are designed to raise awareness of a cause and help to cultivate relationships with donors and potential donors. They are incorporated into the organization’s overall fundraising planning in order to provide visibility for the organization and to provide opportunities to involve people in the organization’s activities.

1. All events must be deemed beneficial to the agency’s mission and image.
2. Approval for events is made through consultation with the executive management team and the development committee of the board.
3. All events are carefully assessed for cost, benefits and risk to the agency.
4. Events are coordinated by the Foundations staff utilizing event committees consisting of employees and community volunteers.
5. Planning consists of ensuring a detailed task list with target dates and the budget with estimated income and expenses.
6. The agency will not enter into an agreement for an event unless “up front” funding is available for preliminary expenses to be incurred.
7. Sponsors are selected based on appropriateness to market children’s causes.
8. All authorities will be contacted and all regulations strictly followed e.g. the municipality, alcohol control board, and the fire and police departments.
9. All contractors or service providers will be experienced, qualified and adequately insured, and our organization will be added as an additional insured on their policy.
10. Insurance representatives will be notified at least thirty days in advance of each event.
11. Each event is evaluated for effectiveness related to raising money, awareness, and volunteer services to establish best practices.

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Donor Bill of Rights

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 not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

- 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.
- 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.
- To have access to the organization's most recent financial statements.
- To be assured their gifts will be used for the purposes for which they were given.
- To receive appropriate acknowledgment and recognition.
- To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
- To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

The text of the Donor Bill of Rights was developed by the Giving Institute, Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP).

Madison Shelly
Chief Development Officer

Lesley Wells
President/Daniel Memorial, Inc.