



## FIRST STEPS GIFT ACCEPTANCE POLICY

First Steps, Inc.'s mission is to educate and care for children with special needs and medical conditions alongside their typically developing peers in inclusive environments and support their families. In support of this mission, First Steps encourages the solicitation and acceptance of gifts for purposes that will support the organization and help fulfill its mission.

The following policies and guidelines govern acceptance of gifts made to First Steps, Inc. or for the benefit of any of its programs or partners.

- I. Types of Gifts Accepted
  - a. The following gifts are acceptable without review
    - i. Cash
    - ii. Donor Advised Funds (DAF)
    - iii. Bequests and Beneficiary Designations under Revocable Trust Agreements, Life Insurance Policies, Commercial Annuities and Retirement Plans
    - iv. Publicly Traded Securities
    - v. Charitable Lead Trusts
    - vi. Charitable Remainder Trusts
  - b. The following criteria govern the acceptance of each gift form:
    - i. **Cash**—acceptable in any form, including by check, money order, credit card, or online.
    - ii. **Donor Advised Funds**- acceptable in any form directly from donors, through brokerage firms and community foundations.
    - iii. **Bequests and Beneficiary Designations**—will not be recorded as gifts to First Steps until the gift is irrevocable. At that time, the present value of the gift may be recorded.
    - iv. **Publicly Traded 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 attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by First Steps' Finance Committee. 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 Finance Committee.

- v. **Charitable Lead Trusts**—First Steps will accept designation as an income beneficiary of charitable lead trusts. First Steps will not accept appointment as trustee and will encourage the donor to use a professional fiduciary.
- vi. **Charitable Remainder Trusts**—First Steps will accept designation as a remainder beneficiary of charitable remainder trusts. First Steps will not accept appointment as trustee and will encourage the donor to use a professional fiduciary.

II. Types of Gifts Accepted Subject to Prior Review

- a. The following 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:
  - i. Real Estate
  - ii. Closely Held and Restricted Securities
  - iii. Tangible Personal Property
  - iv. Remainder Interests in Property
  - v. Other gifts as approved on a case-by-case basis by the Finance Committee as described below
- b. The following provide guidelines for reviewing these types of gifts
  - i. **Real Estate**—prior to acceptance of real property, the gift shall be approved by the CEO and Finance Committee. Any costs associated with the gift of real estate, including but not limited to title, title insurance, appraisal, sale, or marketing shall be paid by the donor. Criteria to consider for the acceptance of property shall include:
    - 1. Present market value, as determined by a formal appraisal paid for by the donor;
    - 2. Undue restrictions on the use or sale of the property;
    - 3. Knowledge of other owners and their interests;
    - 4. Marketability—assessment of the market for salability, including likely timeframe for sale;
    - 5. Restrictions, reservations, easements or other limitations associated with the property;
    - 6. Carrying costs (e.g., insurance, taxes, mortgages, notes, etc.); and
    - 7. Cost of acquisition
  - ii. **Closely Held and Restricted Securities**—will be accepted in limited circumstances when approved by the CEO and the Finance Committee. Any costs associated with outside legal review or appraisal shall be paid by the donor.
  - iii. **Tangible Personal Property**—criteria for the acceptance of tangible personal property shall include, but not be limited to, the following:
    - 1. Marketability of the property;

2. Restrictions on the use or sale of the property; and
    3. Costs associated with liquidating the property.
  - iv. **Remainder Interests in Property**—First Steps may accept a gift of personal residence with a life estate retained by the donor. Subject to review, the donor may retain the right to live in the property or share this right with another. Acceptance of the property shall be subject to all the requirements for the acceptance of any gift of real estate as outlined above. First Steps, Inc. shall have a written agreement stating that the donor will be responsible for any expenses concerning maintenance, insurance, taxes, and any other costs or matters related to the property until First Steps has unrestricted title to the property. At the death of the donor, First Steps shall have unrestricted title to the property and may use the property or reduce it to cash, consistent with the rules of this policy. Acceptance of a remainder interest shall require prior approval of the CEO and the Finance Committee.
- III. Miscellaneous Provisions
  - a. It is the responsibility of the donor to secure and pay for an appraisal (when required or requested by First Steps, Inc) and independent legal counsel for all gifts made under this policy.
  - b. First Steps will record a gift received by First Steps at its valuation for gift purposes on the date of the gift.
  - c. Acknowledgment of all gifts made to First Steps and compliance with the current IRS requirements in acknowledgment of such gifts shall be the responsibility of the development department.
- IV. Types of Gifts Not Accepted
  - a. The following gifts will not be accepted:
    - i. Pooled income funds
    - ii. Time shares
- V. Use of Legal Counsel

First Steps reserves the right to seek advice of legal counsel in any and all matters relating to acceptance of gifts. Examples of situations where legal review may be appropriate are:

- a. Transactions with potential conflict of interest. This may include the use of board members as sales agents in transactions, leases of gift property to staff or board, or other similar transactions.
- b. Closely held stock transfers and gifts of real estate.
- c. Review of transitions governed by contracts or legal documents. This document obligates the trustee to take some action.

VI. Conflict of Interest

With respect to planned giving gifts, the interest of individual donors shall come before that of First Steps, Inc. First Steps will urge prospective donors to seek the assistance and advice of independent professional advisors, including, but not limited to, tax or legal counsel in matters relating to their gifts and the resulting tax and estate planning consequences.

First Steps recognizes potential conflicts in receiving funding from certain types of donors to fulfilling mission. First Steps will not accept contributions from corporations, industries, organizations, or congregations and their respective foundations whose core activities may be in direct conflict with the mission of First Steps or which may in any way limit First Steps' ability to carry out its mission. Should such a conflict arise, the discretion to accept the gift will be up to the Executive Committee of the Board of Directors.

VII. Anonymous Gifts

First Steps, Inc will accept gifts from donors who wish to remain anonymous. First Steps reserves the right to refuse any gift it believes is not in the best interest of the organization. Those donors who do not request anonymity may have their names published by First Steps and may be listed on donor recognition displays located inside First Steps' facility.

VIII. Confidential Information

All private donor information, including addresses, phone numbers, names of beneficiaries, nature and worth of estates, amount of provisions, etc., shall be kept strictly confidential by First Steps, Inc. and its authorized personnel unless the donor grants permission to use selective information for purposes of referral, testimonial, or example at the discretion of authorized representatives.

IX. Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Board of Directors of First Steps, Inc.. The Finance Committee of the Board of Directors must approve any changes to or deviations from these policies.

# A 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 ensure 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:

**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.*

**V.**

*To receive appropriate acknowledgement and recognition.*

**VI.**

*To be assured that information about their donations 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.*

**IX.**

*To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.*

**X.**

*To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.*

**DEVELOPED BY:**

Association of Fundraising Professionals (AFP)  
 Association for Healthcare Philanthropy (AHP)  
 Council for Advancement and Support of Education (CASE)  
 Giving Institute: Leading Consultants to Non-Profits

**ORIGINALLY ENDORSED BY:**

Independent Sector  
 National Catholic Development Conference (NCDC)  
 National Committee on Planned Giving (NCPG)  
 Council for Resource Development (CRD)  
 United Way of America

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