

**Supporting Possibilities in Responsible Independent Teens (SPIRIT NYS)**  
**Gift Acceptance Policy**  
**June 2021**

SPIRIT NYS Inc. [SPIRIT NYS] is a non-profit corporation operating solely as a charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986. SPIRIT NYS solicits and accepts gifts that are help us fulfill our mission and support its core program and special projects.

**Acceptance of Donated Gifts**

Donations will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitations, unless acceptance of gifts from a specific source is inconsistent with the SPIRIT NYS mission.

During its regular fundraising activities, SPIRIT NYS may accept donations of the following: money, securities, real property, and personal property. Certain types of gifts must be reviewed prior to their being accepted because they may create liabilities or impose special obligations on SPIRIT NYS.

The following types of unrestricted gifts are generally considered acceptable by SPIRIT NYS without approval by the Finance Committee or by the Board of Directors:

- **CASH:** Cash gifts are acceptable in any form, including by check, money order, credit card, or online.
- **NON-RESTRICTED 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 the SPIRIT NYS Finance Committee.
- **BEQUESTS:** Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans. Donors are encouraged to make bequests to SPIRIT NYS under their wills, and to name SPIRIT NYS as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- **CRTs:** SPIRIT NYS will accept designation as a remainder beneficiary of charitable remainder trusts.
- **CLTs:** SPIRIT NYS will accept designation as an income beneficiary of charitable lead trusts.
- **LIFE INSURANCE:** SPIRIT NYS will accept gifts of life insurance where the organization 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.

The types of gifts that will require review, and the review process, are described below and on page 2:

- **TANGIBLE PERSONAL PROPERTY:** The Finance Committee shall review and determine whether to accept any gifts of tangible personal property in consideration of the following: 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?

The types of gifts that will require review, and the review process, continued:

- **REAL ESTATE:** All gifts of real estate are subject to review by the Finance Committee and a title search may be undertaken. Prior to acceptance of any gift of real estate other than a personal residence, SPIRIT NYS 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: Is the property useful for the organization'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, etc.) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?
- **RESTRICTED SECURITIES:** 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 after review by the Finance Committee.

### **Refusal of Donated Gifts**

SPIRIT NYS may elect to refuse gifts of cash, securities, real estate, or other items of value if there is reason to believe that such gifts are incompatible with the mission of the organization, conflict with its core values, or would create a financial, administrative, or programmatic burden. The CEO is directed to refer questionable gifts to the Finance Committee or the Board of Directors for guidance on a case-by-case basis. Members of the organization are encouraged to bring to the attention of the CEO or the Director of Finance any concerns they may have about the appropriateness of accepting any gift.

Gifts generally considered unacceptable by SPIRIT NYS include, but are not necessarily limited to:

- Encumbered assets;
- Assets without clear title;
- Portions of assets held in partnership with other owners;
- Term life insurance policies;
- Under-funded universal life insurance policies;
- Life insurance policies with outstanding loans;
- Closely held stocks;
- Non-marketable securities; and
- Assets determined to have little potential for disposition.

SPIRIT NYS may elect to refuse gifts of any type if the potential gift poses a conflict of interest including but not limited to real conflicts of interests, appearances of conflicts of interest, or perceived conflicts of interest.

SPIRIT NYS will not accept gifts that would result in the organization losing its status as a 501(c)(3) not-for-profit organization. SPIRIT NYS reserves the right to refuse any gift at any time for reasons either contained or not contained in this policy statement.

### **Restricted Gifts and Honoring the Intention of Donors**

SPIRIT NYS has adopted and enforces the AFP Code of Ethical Principles and Standards of Professional Practice. Reproductions of “A Donor Bill of Rights” and “Code of Ethical Standards,” downloaded from <https://afpglobal.org/donor-bill-rights> and reprinted with permission from the Association of Fundraising Professionals, are included at the end of this document. Spanish and French versions are also available on their website.

When funds are accepted with restrictions, restrictions will be honored. If restrictions cannot be honored, SPIRIT NYS will offer to return the gift to the donor.

### **Complying with Donor Requirements**

SPIRIT NYS shall manage donor requirements, including contract compliance and funder reporting. The SPIRIT NYS Advancement Committee will track and manage all institutional and individual funder requirements, including schedules for narrative reports, data reports, and financial reports. SPIRIT NYS staff will work collaboratively to collect any required data and to track spending according to contracted budgets.

If SPIRIT NYS is not able to comply with a donor’s requirements, the organization will offer to return the gift to the donor.

### **Legal Counsel**

On occasion, SPIRIT NYS may find it necessary to retain legal counsel to assist with issues related to accepting gifts, including the review of transactions, contracts, agreements, or restrictions, and to address actual, potential, or perceived conflicts of interest. Review by counsel is recommended for:

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