



SUNSHINE SERVICES

GIFT ACCEPTANCE POLICY

Sunshine Services, a non-profit organization organized under the laws of the State of Tennessee, encourages the solicitation and acceptance of gifts for purposes that will help Sunshine Services further and fulfill its mission. The following policies and guidelines govern the acceptance of gifts made to Sunshine Services for the benefit of any of its programs and services.

This Gift Acceptance Policy defines the broad parameters of gift acceptance. The goal is to encourage financial support to Sunshine Services without encumbering the organization with gifts, which either generate more cost than benefit or which may be restricted in a manner which is not in keeping with the mission of Sunshine Services. The Board of Directors and Sunshine Services leadership further directs administration to adhere to this policy and the related administrative procedures for gift acceptance, except as may otherwise specifically be approved by the Board of Directors. This policy may be amended or temporary exceptions made by the Board of Directors.

I. Our Mission

To provide person-centered supports for individuals with developmental disabilities that promote independence, inclusion, and empowerment to reach their personal vision of happiness and life satisfaction.

II. Purpose

The Board of Directors and Sunshine Services' staff solicit current and deferred gifts from individuals, corporations and foundations to secure the future growth and mission of Sunshine Services.

These policies are established to:

- A. Provide equitable protection for the interests of Sunshine Services, and the interests of those who support the organization through charitable gifts.
- B. Assure that each gift to, or for the benefit of, Sunshine Services is designed to provide maximum benefits and serve the best interests of both the donor and Sunshine Services.
- C. Encourage gifts by donors without encumbering Sunshine Services or the donors' financials and other resources.
- D. Create effective fundraising programs through clear, consistent, concise policies and procedures consistent with the mission of Sunshine Services and the donor's personal interests.



III. Donor Privacy

Sunshine Services will maintain the highest confidentiality standards for all donor files and records, including information provided online and offline. These files and records may be used only by Sunshine Services employees and agents and will not be shared nor sold with any third party. To the extent any donations are processed through a third-party service provider, our donors' information will only be used for purposes necessary to process the donation. Unless given specific permission by the donor to publicize the details of the gift, the donor's files and records will be held in strict confidence. Specific details of a donor's giving history will not be shared, except for public recognition purposes, or as may otherwise be required by law.

IV. Use of Legal Counsel

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

- A. Closely held stock transfers that are subject to restrictions or buy-sell agreements.
- B. Documents naming Sunshine Services a Trustee.
- C. Gifts involving contracts, such as bargain sales or other documents requiring Sunshine Services to assume an obligation.
- D. Transactions with potential conflict of interest that may invoke IRS sanctions.
- E. Gifts involving real estate.
- F. Other instances in which use of counsel is deemed appropriate by the Board of Directors.

V. Conflicts of Interest

Sunshine Services will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Sunshine Services endorses the Donor Bill of Rights (Appendix A).

VI. Restrictions on Gifts

Sunshine Services will accept unrestricted gifts, as well as gifts for specific programs and purposes, provided that such gifts are not inconsistent with their stated mission, purposes and priorities. Sunshine Services will not accept gifts that are too restrictive in purpose. Gifts for purposes that are not consistent with the organization's mission with its current or anticipated future programs cannot be accepted. Examples of gifts that are too restrictive are those that violate the terms of the corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of Sunshine Services.

All restricted gift agreements between Sunshine Services and the donor will include provisions for an alternate use if the restricted purpose cannot be achieved. Examples: If the restricted purpose of the gift can no longer be served, the donor agrees to let Sunshine Services use the gift for a similar purpose within the organization. If Sunshine Services no longer exists, the



restricted gift will be given to a similar nonprofit organization for use similar to the donor's original intention.

All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

Undesignated gifts of \$10,000 or more will be designated by the Board of Directors.

A gift is an unrestricted and complete donation of an asset to further the charitable purpose of Sunshine Services. A sponsorship is a transfer of an asset to Sunshine Services in exchange for some direct, or indirect benefit, to the donor. While a donor may be permitted to make a designated gift for a particular purpose, each donor should recognize that all gifts must be primarily for the benefit of the entire Sunshine Services organization, rather than a specific individual or other business entity/organization.

VI. Tax Compliance

Sunshine Services' policy is to comply with Internal Revenue Service reporting requirement and all other aspects of state and federal tax law.

VII. Types of Gifts

A gift is defined as a voluntary transfer of assets from a donor (a person or an organization) to Sunshine Services where no goods or services are expected, implied, or forthcoming for the donor. Gifts are made without expectation of return; no consideration (outside of appropriate recognition) to the donor or to anyone designated by the donor may result from the contribution.

The following gifts are acceptable:

- Cash & Cash Equivalents
- Tangible Personal Property or Gifts-in-Kind
- Securities - Publicly traded
- Retirement Plan Beneficiary
- Designations Bequests
- Life Insurance
- Real Estate
- Remainder Interests in Property
- Charitable Remainder Trusts
- Charitable Lead Trusts
- Donor Advised Funds
- Workplace Giving



The following criteria govern the acceptance of each gift form, with the final determination on the acceptance of the gift being made by the Financial Development Committee or Board of Directors:

- **Cash & Cash Equivalents:** Cash is acceptable in any form. This includes cash, check, credit/debit card, ACH, online payment processing, etc. Checks should be made out to Sunshine Services and shall be delivered to the administrative offices.
- **Tangible Personal Property or Gifts-in-Kind:** Gifts shall be examined in-light-of the following criteria - a. Does it fulfill the mission of Sunshine Services? b. Is the property marketable and/or useable? c. Are there any undue restrictions on the property? d. Are there any carrying costs for the property? Sunshine Services accepts in-kind donations made by individuals or organizations if they provide added benefit to Sunshine Services' work and mission. Sunshine Services will provide an official acknowledgement to donors for their accepted gifts, but in accordance with IRS regulations, the organization cannot provide gift valuation, and the donor is responsible for determining the value of the gift.
- **Securities:** Sunshine Services can accept publicly traded securities. Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or signed irrevocable stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless directed by the Board of Directors. In some cases, marketable securities may be restricted by applicable securities laws; in such instances, the final determination on the acceptance of restricted securities shall be made by the Board of Directors with the advice of a securities expert.
- **Retirement Plan Beneficiary Designations:** Donors will be encouraged to name Sunshine Services as beneficiary or contingent beneficiary of their retirement plans. Such designations will not be recorded as gifts until such time as the gift is irrevocable.
- **Bequests:** Donors will be encouraged to make bequests to Sunshine Services in their wills and trusts. Such designations will not be recorded as gifts until such time as the gift is irrevocable.
- **Life Insurance Beneficiary Designations:** Donors will be encouraged to name Sunshine Services as beneficiary or contingent beneficiary of their life insurance policies. Such designations will not be recorded as gifts until such time as the gift is irrevocable. Sunshine Services may also accept irrevocable ownership of a life insurance policy and/or designation as a life insurance policy beneficiary. The gift is valued at its interpolated terminal value, or cash surrender value, upon receipt. If the donor continues future premium payments, Sunshine Services will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, Sunshine Services may:
 - Continue to pay the premiums,
 - Convert the policy to paid up insurance,



- Surrender the policy for its current cash value.
- Real Estate: Gifts of real estate may include developed property, undeveloped property or gifts subject to a prior life interest. Prior to acceptance of real estate, Sunshine Services shall require: title, flood, tide and any other searches that legal counsel may advise; a survey certified to the donor, Sunshine Services, and the title company used for the respective transaction; and an initial environmental review of the property to ensure that the property has no environmental damage. In the event that the initial inspection reveals a potential problem, Sunshine Services shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental review, audit and other searches shall generally be an expense of the donor. Prior to the acceptance of the real estate, the gift shall be approved by the Board of Directors and by legal counsel. Criteria of acceptance of real estate shall include, but not be limited to, the following:
 - Is the property useful for the purposes of Sunshine Services?
 - Is the property marketable?
 - Are there any restrictions, reservations, easements or other limitations associated with the property?
 - Are there carrying costs, which may include insurance, property taxes, mortgages or notes associated with the property?
- Remainder Interests in Property (Life Estates): Sunshine Services may accept a remainder interest in a personal residence, farm or vacation property, subject to the provisions of gifts of real estate. The donor or other occupants may continue to occupy the real estate property for the duration of the stated life. At the death of the life estate beneficiary, Sunshine Services may use the property or reduce it to cash. Where Sunshine Services receives a gift of a remainder interest, expenses for maintenance, real estate taxes and any property indebtedness are to be paid by the donor or primary beneficiary.
- Charitable Remainder Trusts: Sunshine Services may accept designation as a remainder beneficiary of a charitable remainder trust. Sunshine Services will not accept an appointment as Trustee of a charitable remainder trust.
- Charitable Lead Trusts: Sunshine Services may accept a designation as income beneficiary of a charitable lead trust. Sunshine Services will not accept an appointment as Trustee of a charitable lead trust.
- Donor Advised Funds: Sunshine Services accepts donations from donors via Donor Advised Funds (DAFs). The DAF is recognized as the official donor, rather than the original supporter, though Sunshine Services' relationship is with the individual, not with the financial entity/DAF sending the funds. If a donor has certain intentions for their contributions, Sunshine Services wants to ensure those intentions are followed. Therefore, the Board of Directors can elect to place restrictions on the funds to ensure the donor's intentions are met, rather than keeping the funds unrestricted because they came from a DAF. All donations over \$10,000 received through DAFs will be presented



to the Board of Directors for review at their next possible meeting, providing documentation from the supporter in addition to payment support from the DAF. If the Board of Directors provides a restriction to a donation, it will follow the same procedures as income with donor restrictions.

- Workplace Giving: Sunshine Services accepts workplace donations in the form of matching gifts. These donations are always treated as individual contributions.

VIII. Miscellaneous Provisions

A. Securing appraisals and legal fees for gifts to Sunshine Services: It will be the responsibility of the donor to secure an appraisal and independent legal counsel (where required) for all gifts made to Sunshine Services.

B. Valuation of gifts. Sunshine Services will use consistent methods for recording gifts for financial development purposes and accounting purposes and follow defined gift criteria in the IRS code and FASB rules.

C. Gift Acknowledgement and Management: The acknowledgement and management of all gifts made to Sunshine Services will comply with current IRS and local requirements and shall be the responsibility of Sunshine Services' leadership office.

D. Responsibility for IRS Filings upon sale of gift items: Sunshine Services is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within 3 years of receipt by Sunshine Services when the charitable deduction value is more than \$501. Sunshine Services must file this form within 125 days of the date of the sale or disposition of the asset.

E. Confidentiality: Sunshine Services will maintain the highest confidentiality standards for all donor files. Information in donor files may only be used for Sunshine purposes.

F. Discontinuing Contact for Solicitation upon Request: Sunshine Services will take active measures to discontinue contacting any person upon that person's oral or written request directed to Sunshine Services.

G. Gifts may only be received by Sunshine Services under the procedures specified herein. Should a member of the Board of Directors or any other individual acting on behalf of Sunshine Services attempt to accept a gift without any required Board of Director approval, such acceptance shall be deemed void.

IX. Changes to Gift Acceptance Policies

These policies and guidelines shall be reviewed, updated as needed and accepted by the Board of Directors every three (3) years, or sooner if deemed necessary by a majority of the Financial Development Committee.

The Board of Directors must approve, in writing, 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 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:

- 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:
American Association of Fund Raising Counsel (AAFRC)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Association of Fundraising Professionals (AFP)

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