

# United Way of Southwest Minnesota

## Gift Acceptance Policy

**I. Policy:** United Way of Southwest Minnesota (hereafter UWSWMN) welcomes gifts of cash, commodities, securities, insurance, personal property, real estate, and gifts by bequest. This policy is designed to provide guidance to the UWSWMN team and the general public to facilitate the gift giving process. The intent of this policy is to provide prospective donors with the greatest flexibility possible in formulating their gift options and the confidence of our donors that we are good stewards of their donation(s).

**II. Policy Purpose:** The purpose of this policy is to ensure that all gifts to UWSWMN are used as the donor intends, any legal vehicles related to these gifts (stock, insurance beneficiary designations, will, or the like) should identify the organization as “United Way of Southwest Minnesota and its successors.” The acknowledgement of gifts to donors for tax purposes will be done in the manner specified in the Internal Revenue Code. UWSWMN seeks gifts from individuals, corporations, foundations and public agencies for the purpose of fulfilling our mission.

### **III. Policy Procedures:**

UWSWMN will not accept gifts that:

1. would result in UWSWMN violating its By-Laws;
2. would result in UWSWMN losing its status as an IRS 501(c)(3) not-for-profit corporation;
3. would be too difficult or too expensive to administer in relation to their value;
4. would result in any unacceptable consequences for UWSWMN;
5. or are for purposes outside UWSWMN’s mission.

Contributions, whether cash, unconditional promises to give, or other form of gift accepted, are recognized as revenue or gain in the period received or sold.

Gifts which would generally be accepted include:

1. **Cash Gifts:** Cash gifts of money or checks will be accepted and designated to the donors “intended” fund, be it restricted or unrestricted. All acceptable gifts designated for any purpose shall be included at full market value. UWSWMN reserves the right to redirect gifts as necessary to meet the needs of the community, and based on the recommendation of trained, experienced volunteers who review all requests for funding before recommendations are sent to the Board.
2. **Pledges:** A pledge will be included in the current campaign year provided that the donor makes a payment schedule that is to be completed within one year after the close of the current campaign. If a pledge is to be satisfied over several years, the pledge may be broken up and included in multiple campaign years.
3. **Securities:** Donated stocks, bonds and securities are typically sold as soon as possible after transfer of ownership and receipt of notice thereof by UWSWMN. UWSWMN maintains the right to hold all securities as a part of its total portfolio and such a determination will be made by the Board of Directors. It is the express policy of UWSWMN that all non-publicly traded securities shall be liquidated. The value of this donation is established on the day of the donation transaction. IRS rules may require the donor to establish the value through an independent appraisal. If this is necessary, any costs for such an appraisal would typically be the responsibility of the donor.
4. **Commodities:** Donated commodities are typically sold as soon as possible after transfer of ownership and receipt of notice thereof by UWSWMN. The value of this donation is established on the day of the donation transaction. IRS rules may require the donor to establish the value through an independent appraisal. If this is necessary, any costs for such an appraisal would typically be the responsibility of donor.
5. **Personal Property:** Gifts of non-real personal property will be accepted only if the President & CEO and/or Executive Committee feel that a reasonable market exists for such items. In order for a donor to donate personal property, such as cars, boats, furnishings, jewelry, or art the following must occur:

- a. All property must be free of any liens, taxes, and fees.
  - b. The title must be clear and current, with the donor, in the case of titled property, being the legal owner.
  - c. The donor must be willing to assume fees that may be incurred due to title/license, moving, storage and insurance coverage that UWSWMN may incur after property is donated, and until UWSWMN is able to dispose of same. Typically, the donor would agree to assume all costs for transfer, holding, and disposition of any property donated. However, in specific instances, UWSWMN may consider sharing in these costs.
  - d. Acceptance, as well as disposition, is subject to approval by the President & CEO and/or the Executive Committee.
6. **Real Estate:** Real estate donations will be accepted only if the UWSWMN President & CEO and/or the Executive Committee approves acceptance of this donation. When a donor wishes to donate property such as land and/or buildings, the following must occur:
- a. All property must be free of any liens, taxes, or other encumbrances.
  - b. The title must be clear and current, with the donor being the registered owner.
  - c. The property must be declared free of any pollution, physical hazards, or contaminants that could become legal and/or clean-up encumbrances for UWSWMN.
  - d. Typically, the donor must be willing to donate the cost of any fees due to transferring the title, property taxes, maintenance and repair, and any necessary insurance coverage that may be needed. However, in special situations, UWSWMN may consider sharing in these costs.
  - e. UWSWMN will generally not accept gifts of buildings on leased land.
  - f. All contributions of real property shall require approval by UWSWMN President & CEO and the Board of Directors.
  - g. Potential donors will be informed that UWSWMN reserves the right not to accept a contribution of property, if the conditions cannot be met, or if the Board of Directors deems that it is not in the best interest of UWSWMN to accept the property.
7. **Bequests:** Gifts from bequests will be accepted under the same policy as cash gifts and will be applied to the unrestricted fund unless said donor designates a fund of his/her choice. All bequests should be directed to "United Way of Southwest Minnesota or its successor."
8. **Irrevocable Life Income Agreements:** Gifts of irrevocable life income agreements including charitable remainder trusts, pooled income funds and gifts of annuities will be counted for their full face value in the year that the agreement is signed and the asset funding the agreement is received. UWSWMN must receive from donor
- a. a copy of the trust agreement,
  - b. a current trust statement showing the value of the assets, and
  - c. an agreement by the donor to have the trustee provide UWSWMN with regular periodic statements.
9. **Life Insurance Policies:** Donor will receive credit for donation of life insurance policies only if the donor names United Way of Southwest Minnesota or its successor as owner and beneficiary of the policy. Value of such gift will be based on the surrender value as of the date of transfer.
10. **In Kind Donations:** In-Kind donations of goods or services may be accepted providing they reflect the needs and mission of UWSWMN. For recordkeeping purposes, the donor shall provide a written estimate of the fair market value at the time of donation of the articles and/or services.

Gifts which would generally not be accepted by UWSWMN:

1. Gifts of securities that are subject to restrictions or buy-sell agreements.
2. Documents naming UWSWMN as trustee or requiring UWSWMN to act in any fiduciary capacity.
3. Gifts requiring UWSWMN 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.

Approved November, 2018

## **United Way of Southwest Minnesota CORPORATE RESOLUTION**

BE IT RESOLVED that any combination of two people filling the positions of President & CEO, Board Chair, Board Vice-Chair and/or Board Treasurer at any given time, are hereby authorized to sell, assign and endorse for transfer certificates representing stocks, bonds, securities, and any other securities or titles, including real estate, now registered or hereafter registered in the name of this Corporation.

I, Amie Ascheman, Board Chair of United Way of Southwest Minnesota, incorporated under the laws of the State of Minnesota, hereby certify that the foregoing is a true copy of a resolution duly adopted by the Board of Directors of said Corporation at a meeting duly held on the 19th day of November, 2018, at which a quorum was present and voting, and that the same has not been repealed or amended and remains in full force and effect and does not conflict with the By-laws of said Corporation.

Dated November 19, 2018.

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Amie Ascheman, Board Chair

**United Way  
of Southwest Minnesota**

