**TSC Alliance
Gift Acceptance Policy**

**I. General Statement of Policy**

The following pages outline the TSC Alliance policy regarding the types of assets and the forms of gifts the organization accepts. The policy also describes administrative responsibilities and procedures developed in connection with TSC Alliance fundraising programs. By defining the types of gifts that are acceptable, the different forms gifts may take, and the requirements for accepting gifts, these guidelines will facilitate the appropriate use of and accountability for gifts received by the TSC Alliance and TSC Alliance Endowment Fund.

The purpose of this Gift Acceptance Policy is also to provide TSC Alliance administration, Development staff, and volunteers with guidelines that enable them to assist prospective donors, their families, and advisors in making gifts to the organization. The ideal gift to the TSC Alliance or TSC Alliance Endowment Fund is one that is both consistent with the donor’s intent and financial plans, and also supports the TSC Alliance’s stated goals and programs without imposing undue financial or legal burden on the organization. Unrestricted gifts are always preferred as they provide the TSC Alliance and TSC Alliance Endowment Fund with maximum flexibility to direct resources where they are most needed. However, should a donor choose to restrict a gift for a specific purpose, the primary consideration for acceptance will be whether the gift supports a priority defined by the TSC Alliance.

In concurrence with the adoption of this policy, the TSC Alliance shall move to establish a Gift Committee to make decisions on gift acceptance as outlined in this policy. For example, in instances in which a donor may wish to restrict a gift to a project or cause beyond the TSC Alliance’s recognized priorities or to extend pledge fulfillment beyond the expected five-year cycle, the Gift Committee would be charged with making the ultimate decision regarding the appropriateness of gift acceptance. The Gift Committee shall consist of the TSC Alliance’s President & CEO, the Chief Financial Officer, the VP of Donor Relations, the Operating Board Chair, and the Operating Board Treasurer. When the gift in question includes an endowment component, the Endowment Fund Board Chair will also sit on the Gift Committee. The role of the Gift Committee is further defined in Section II of this policy.

While this policy supplies important information for donors and enables the Development staff to appropriately inform and guide them, the TSC Alliance will not provide tax, financial, or legal advice to donors. All donors shall rely on their own personal advisors for tax, legal, financial, and other advice concerning their gifts. Furthermore, the TSC Alliance will not serve as agent under power of attorney, nor as estate executor, administrator, or personal representative in any instance on behalf of a donor.

The TSC Alliance complies with all federal, state and local procedures and laws governing nonprofit corporations. The TSC Alliance sends tax receipts for all gifts received during the previous calendar year.

The policies and responsibilities within this Gift Acceptance Policy are drafted in accordance with Generally Accepted Accounting Principles (GAAP), the Financial Accounting Standards Board (FASB), and guidelines published by the Nonprofit Risk Management Center. These guidelines are subject to change, in keeping with the TSC Alliance’ mission and programs, without prior notice by the organization. The TSC Alliance has the right to decline any gift that may not be in the best interest of the organization.

**II.   Responsibilities**

The Operating Board of Directors of the TSC Alliance has full and final authority over all policies and procedures for solicitation activities and acceptance of all gifts to the TSC Alliance. In cases in which an endowment gift is under consideration, the Endowment Fund Board Chair will be consulted on policies and procedures. Operationally, the President & CEO is charged with implementing policy and making day-to-day decisions.

The Gift Committee as defined in Section I of this policy reviews all gifts that do not clearly support recognized TSC Alliance-defined priorities, as well as gifts that are revocable or conditional. It also reviews certain gifts as prescribed throughout this policy. The Gift Committee shall solicit input from any concerned Development staff and/or TSC Alliance representatives as necessary. The Gift Committee will make every effort to ensure that:

* Gifts impose no undue financial burdens on the TSC Alliance.
* Gifts do not expose the TSC Alliance to liabilities, material or personal.
* Gifts place no undue burden on any TSC Alliance resources.
* Gifts do not subject the TSC Alliance to adverse publicity.
* Gifts do not involve any conflicts of interest.

The Gift Committee will ensure that gift agreements include language to provide the organization with flexibility to redirect gift monies appropriately (to a related purpose) in the event that the original restriction is obsolete, inappropriate, or impracticable. The Gift Committee meets on an ad hoc basis and will accept or refuse a gift by unanimous decision or else forward the gift offer to the Operating Board of Directors for a decision. In cases in which an endowment gift is under consideration, the gift offer would go to the Endowment Fund Board of Directors. If necessary, the Gift Committee will seek the advice of retained counsel (an outside, independent source) on accepting a gift. To ensure complete objectivity, no Directors or members of the TSC Alliance community will serve as legal counsel.

The President & CEO and the Senior Director, Donor Relations, are the organization’s lead fundraisers. They are responsible for achieving the TSC Alliance’s fundraising goals, executing the fundraising program, and establishing fundraising policies and priorities.

All fundraising efforts, campaigns, and appeals made on behalf of the TSC Alliance must be approved by the President & CEO or the Senior Director, Donor Relations. No general or group solicitation of funds for specific purposes may be undertaken by any staff, department, or operating unit of the TSC Alliance without approval. Solicitation of all gifts from individuals, foundations, or corporations must be cleared through the President & CEO or the Senior Director, Donor Relations.

The President & CEO and the Senior Director, Donor Relations, are supported by the Development staff, all of whom play a role in securing appropriate gifts to the TSC Alliance from private sources. Gifts may come from a variety of sources and generally fall into four categories: annual gifts, corporate and foundation gifts, major gifts, and planned gifts. Development staff members include gift officers, as well as those charged with managing services such as gift processing, prospect research, donor stewardship, and community relations.

**III. Definitions**

1. **General**
* A **gift** is defined as a voluntary, irrevocable transfer of assets from an individual or private organization to the TSC Alliance or TSC Alliance Endowment Fund. Any offer of revocable or conditional gifts must be presented to the Gift Committee for review before acceptance.
* A **non-cash gift** refers to a gift of any asset other than cash or check. This includes marketable securities, closely held stock, real estate, tangible personal property, and life insurance.
* A **gift in kind** is a gift of tangible items, such as equipment or supplies, as well as contract or professional services.
* A **pledge** is defined as a written statement of an intention to make a gift or grant signed by the donor or her/his authorized agent.
* A **pledge commitment form** is a non-binding, written statement of a donor’s intention to make a gift. It exists to ensure that the wishes of the donor are understood and accepted by both the donor and the TSC Alliance or TSC Alliance Endowment Fund.
* A **bequest** is defined as a gift by will of funds or personal or real property.
* A **bequest intention** is the written notification by a donor that the TSC Alliance Endowment Fund or TSC Alliance is a beneficiary of a donor’s estate.
* A **grant** is defined as a voluntary transfer of assets or awards for specific or general purposes to the TSC Alliance from a corporation, a foundation, or in some cases a government agency or association.
1. **Non-Cash Gifts**
* **Real Property** is defined as land, buildings erected on or affixed to land, and rights (e.g., mineral, air, water) and easements connected with land.
* **Tangible Personal Property** is defined as movable and physical objects such as works of art, books, antiques, furniture, merchandise, equipment, clothing, or animals.
* **Securities** are defined as marketable securities, options, and closely-held stock.
1. **Planned Gifts**
* A **Planned Gift** is a gift in which the donor makes a commitment to the TSC Alliance Endowment Fundor TSC Alliancebut the receipt of funds from the gift may be delayed until a future time. The gift may be made either as a deferred (i.e., Charitable Remainder Unitrust, Charitable Remainder Annuity Trust) or outright gift (i.e., Charitable Lead Trust).
* A **Charitable Remainder Unitrust** is an irrevocable trust that provides income to beneficiaries based upon annual valuation of the trust’s assets. At the time the unitrust is created, the donor specifies a fixed percentage of not less than five percent to be paid to income beneficiary(ies) for life or for an expressed number of years up to 20 years. At the end of the expressed number of years, or upon the death of the beneficiary(ies), the remaining balance of the trust is transferred to the TSC Alliance Endowment Fund or TSC Alliance.
* A **Charitable Remainder Annuity Trust** is an irrevocable trust that pays the income beneficiary(ies) a fixed dollar amount annually, no matter how much the trust earns. The amount must be specified in the trust instrument as either a dollar figure or a percentage (not less than five percent) of the initial value of the asset used to fund the trust. At the end of the expressed number of years or upon the death of the beneficiary(ies), the remaining balance of the trust is transferred to the TSC Alliance Endowment Fund or TSC Alliance.
* A **Deferred Charitable Remainder Annuity Trust** is a Charitable Remainder Annuity Trust that allows for payment of the annuity to start at a later time than the date of the gift.
* A **Charitable Gift Annuity** is an irrevocable transfer of money or property to the TSC Alliance Endowment Fund or TSC Alliance in exchange for which the TSC Alliance promises to pay the donor and a survivor, if designated, fixed annual payments for life.
* A **Charitable Lead (Income) Trust** is a trust that pays income to the TSC Alliance Endowment Fund or TSC Alliance for the life of the trust, after which time the principal is paid back to the donor or to the beneficiary(ies) of the donor’s choice.
* A **Retained Life Estate** is a gift of a residence or farm to the TSC Alliance Endowment Fund or TSC Alliancewhere the donor reserves the right to occupy or use the property for life, or for the lifetime of more than one tenant, after which the residence or farm becomes the property of the TSC Alliance Endowment Fund or TSC Alliance.
1. **Restricted and Unrestricted Gifts**
* **Donations Without Donor Restrictions** are those given by donors to be used for general operations or organizationally-defined priorities with no limitation, prohibition, or constraint on the specific purpose or use of the gift funds regardless of any subsequent designation by the TSC Alliance or TSC Alliance Endowment Fund.
* **Donations With Donor Restrictions** are those given for a specific purpose set forth in writing by the donor. Contributions can be time restricted, purpose restricted, or both, depending upon the donor’s intentions. In the case of restricted gifts, the primary consideration for acceptance should be whether the gift supports a recognized priority as defined by the TSC Alliance or TSC Alliance Endowment Fund.

**IV. Specific Gift Acceptance Information**

**A.  Current Gifts**

* **Cash:** The TSC Alliance accepts all cash gifts in the form of currency, check, electronic funds transfer, required minimum distribution payments out of retirement accounts, government allotment, or credit card payment. If, during the processing of the gift, it appears that the gift is derived from an illegal or immoral source, it will not be accepted.
	+ Checks are to be made out to the TSC Alliance.
	+ Gifts and payments on pledges may be made by credit card. Credit card information can be received through the mail, over the phone, or online. Online donation forms meet all of the Payment Card Industry Data Security Standards (PCI-DSS). Credit card payments made by mail or phone are processed no less than once each week. The TSC Alliance accepts the following credit cards:
* VISA
* MasterCard
* American Express
* Discover
* **Pledge:** The TSC Alliance accepts all pledges for donations supporting recognized priorities of the TSC Alliance. Pledge periods longer than five years require Gift Committee approval.
* **Securities:** The TSC Alliance accepts publicly traded securities as outright gifts or as payment toward pledges. Such gifts are valued at the mean market value on the date of the gift in accordance with IRS regulations and will be sold in a timely manner.
* Closely held securities, those not traded on an exchange or over-the-counter, will require Gift Committee review.
* Gifts of stock are normally made through the TSC Alliance’ broker. Stock transfer instructions will be provided to donors by the TSC Alliance upon request.
* On occasion, actual stock certificates are received. Stock certificates should be accompanied by a letter of intention signed by the donor so they may be processed by the TSC Alliance’s broker.
* **Gifts in Kind:** The TSC Alliance may accept non-cash donations of materials, logistical support, or long-lived assets. Gifts in kind include such items as equipment, software, meals, plane tickets, printed materials, etc., and are subject to review of the Gift Committee. Valuation of gifts in kind will be consistent with those standards articulated by the Financial Accounting Standards Board (FASB). Gift values may be counted toward fundraising goals as determined by the Gift Committee.
* **Gifts of Service:** The TSC Alliance accepts waivers of professional fees for services such as legal, consulting, etc. The TSC Alliance will record these gifts and acknowledge the donor appropriately. However, these gifts are not counted toward fundraising goals.
* **Tangible Personal Property:** The TSC Alliance may accept donations of artwork, books, equipment, collections, and other tangible personal property. The President & CEO will evaluate all offers of such property, referring the matter to the Gift Committee for consideration if needed. If the gift is not suitable for use by the TSC Alliance, it must be readily marketable. In cases in which donor intent is for the TSC Alliance to benefit from a sale of personal property, it is preferable for the donor to sell the property on their own and donate the proceeds. Acceptance of a gift of personal property is conditional on the donor’s agreement to be responsible for associated costs such as appraisal, transportation, insurance, etc. All gifts of property with a value greater than $5,000 must be accompanied by an appraisal (from an independent, licensed appraiser) made within 60 days of the gift. No tangible property will be accepted that obligates the TSC Alliance to ownership in perpetuity without approval of the Gift Committee.
* **Real Estate:** Review and approval by the Gift Committee is required for all real estate gifts prior to acceptance. Gifts of real property will be credited at their fair market value, as determined by a qualified independent appraiser retained by the donor.
* **Matching Gifts:** Donors must obtain matching gift instructions from their company and submit the required information to the TSC Alliance for verification. Gifts made on behalf of individual donors by community foundations, donor-advised funds, family foundations, corporations/employers, and other third-party organizations count for donor recognition purposes but are not tax-deductible contributions for the donor. Although the donors responsible will receive recognition in the form of a soft-dollar credit, such contributions from third parties cannot be processed as payments on previously recorded pledges from individual donors.

**B.  Deferred Gifts**

* **Life Insurance:**The TSC Alliance accepts beneficial distributions from whole and term life insurance policies where the TSC Alliance Endowment Fund or TSC Alliance is a named beneficiary.

The TSC Alliance accepts fully paid-up whole life insurance policies when the donor relinquishes ownership by assigning all rights, title, and interest to the TSC Alliance. The Gift Committee will review offers of whole life insurance policies not fully paid-up on a case-by-case basis. If the Gift Committee accepts a policy, it shall also decide whether to cash it in for the current surrender value, convert the policy to a paid-up policy, or continue to pay the premiums.

The TSC Alliance further accepts term life insurance policies when the donor relinquishes ownership, and the donor is at least 75 years of age at the time of the gift commitment. If the donor pays future premiums on a policy with no cash surrender value, the future premiums will be recorded as gift receipts, but the value of the policy will not be recorded until such time as a disbursement is issued.

* **Retirement Plans and IRAs:** The TSC Alliance accepts beneficial distributions from retirement accounts where the TSC Alliance Endowment Fund or TSC Alliance is a named beneficiary. Special consideration will be given to qualified charitable distributions of required minimum distributions to the TSC Alliance Endowment Fund.
* **Bequests, Trusts, and Gift Annuities:** The TSC Alliance accepts testamentary bequests from wills and trusts where the TSC Alliance Endowment Fund or TSC Alliance is a named beneficiary. Bequests less than $25,000 received without designation or stated intent will automatically be directed toward the TSC Alliance’s unrestricted current operational funds. Bequests of $25,000 or more received qualify for a named fund under the TSC Alliance Endowment Fund, with or without restriction.

Bequests of tangible property and real estate will be evaluated as stated in the paragraphs above. Trusts referenced include revocable trusts and irrevocable charitable remainder and lead trusts. The TSC Alliance will agree to serve as trustee for irrevocable trusts, at the donor’s request, subject to Gift Committee approval.

**V.** **Gift Valuation**

The TSC Alliance will value donations for gift crediting purposes in accordance with its internal procedures reflecting, in general, the reporting standards suggested by the Financial Accounting Standards Board (FASB). Valuation and credit will be independent of the valuation and date of the gift as reported by the donor to the Internal Revenue Service, or the value placed on the gift by the Internal Revenue Service for federal income tax purposes. Such valuation may also differ from valuation for financial statement purposes as required by FASB.

Gifts of real property will be credited at their fair market value as determined by a qualified, independent appraiser retained by the donor. Gifts of tangible personal property will be credited at their fair market value as determined by a qualified, independent appraiser retained by the donor if the value is greater than $5,000. If there is no market for an asset (i.e., gift of property), the gift will be recorded with a value of one dollar ($1.00).

The TSC Alliance reserves the right to decline non-cash gifts or illiquid assets. No gift of real or personal property will be accepted if such acceptance would cause the TSC Alliance to incur a financial or other obligation (to display, store, insure, clear of legal restrictions, sell, etc.) which the Gift Committee deems to be burdensome.

The TSC Alliance reserves the right to dispose of gifts of property (including real property, securities, and personal property) at any time unless otherwise agreed to with a donor. Generally, the TSC Alliance will sell any real property or securities as soon as practicable after receipt. No commitment will be made regarding the retention or investment of a gift asset unless specifically authorized by the Gift Committee. Where such a commitment is important to the donor, the gift will be referred to the President & CEO who will then seek review by the Gift Committee before authorizing a commitment to retain or invest a gift asset.

In all cases, the responsibility for substantiating the value of any gift to the Internal Revenue Service belongs to the donor. No TSC Alliance representative, or person retained by the TSC Alliance, shall perform valuations or appraisals of a gift of property for a donor’s tax purposes.

**VI. Changes to Gift Acceptance Policy**

This policy shall be approved by the TSC Alliance Operating and Endowment Fund Boards of Directors. The Gift Committee will receive and review any proposed amendments to or deviations from this policy and forward them as appropriate for Board approval. The Gift Committee will conduct an annual review of this policy at the beginning of each calendar year.

Approved by TSC Alliance Board of Directors: March 5, 2020

Approved by TSC Alliance Endowment Fund Board of Directors: March 5, 2020