



Sacramento Food Bank & Family Services GIFT ACCEPTANCE POLICIES

Sacramento Food Bank & Family Services (hereinafter “SFBFS”) accepts and solicits philanthropic gifts to further and fulfill our mission. The following policies and guidelines govern the practices of engaging our communities in philanthropic support in a way that protects our donors, our staff and the organization itself. This policy helps elevate SFBFS and our donors to the highest standards of ethical conduct in fundraising.

General Scope

These policies guide the organization and our CEO, staff and Board of Directors in determining whether and how gifts will be received by SFBFS and how they will be utilized to further SFBFS’ mission. In addition, the intent of this policy is to assure that the acceptance of gifts is in the best interests of both SFBFS and the donor, and gifts do not obligate SFBFS on either a short-term or long-term basis, beyond what is operationally and financially sound. Hence, the following gift acceptance policies shall apply to all gifts offered to SFBFS before acceptance of said gifts. The exceptions to these policies are donated food and transportation.

Type of Gifts

1. SFBFS accepts gifts by cash, check, money order, electronic payment and credit card.
2. Marketable Securities: SFBFS accepts gifts of publicly traded stocks and bonds. Stocks or bonds will be sold as soon as practicable upon transfer of ownership. The gift value will be evaluated on the basis of the average market value of the stock on the date of sale.
3. SFBFS accepts donations from IRAs. Donors should check with their financial advisors about possible tax benefits of donating funds through IRA Required Minimum Distributions.
4. Donors may give via a charitable grant from a donor-advised fund. Gifts through donor-advised funds are grants from the sponsoring organization, not charitable contributions, and SFBFS does not provide a tax receipt.
5. Real Property: The property must be readily saleable, and the donor must agree that the property can be sold unless SFBFS agrees to use the property for a purpose related to our exempt purpose. All real estate gifts are directed to SFBFS’ Board for review and approval. If the

property is to be sold, the donor must provide for obligations such as tax and insurance, unless otherwise specifically approved by SFBFS' Board. Per IRS regulations, gifts of real property will be reported based on the appraised value as determined by a qualified independent appraiser within 60 days of the date of transfer.

6. Life Insurance: SFBFS accepts donations as the beneficiary of life insurance policies. In addition, SFBFS will accept gifts of life insurance where SFBFS 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.
7. Bequests and Beneficiary Designations under Revocable Trusts, Commercial Annuities and Retirement Plans: Donors are encouraged to make bequests to SFBFS under their wills and to name SFBFS as the beneficiary under trusts, commercial annuities and retirement plans.
8. Endowment Funds: SFBFS accepts gifts and bequests restricted to endowment. Gifts to SFBFS' Endowments of The Catholic Foundation of the Diocese of Sacramento, Inc. are not restricted to specific programs.

Restrictions on Gifts

SFBFS will not accept gifts that (a) would result in SFBFS violating our corporate charter, (b) would result in SFBFS losing our status as an IRC 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for SFBFS, or (e) are for purposes outside SFBFS' mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by SFBFS' President/CEO and Board Finance Committee.

GENERAL GIFT CRITERIA

In reviewing gifts to SFBFS, the Development department will consider the following criteria:

- The charitable intent, benefit and gift restriction(s).
- The permanency of the gift; or in the case of a non-permanent fund, the time period the funding will benefit SFBFS.
- Projected costs of managing the gift asset.
- Fee revenues or expenses to SFBFS for administering the gift.
- Gift's ability to jeopardize SFBFS' status as an exempt organization under federal or state law or damage the reputation of SFBFS.

RIGHT OF REFUSAL

SFBFS reserves the right to refuse any gift we believe is not in the best interest of the organization.

CONFLICT OF INTEREST

With respect to planned giving gifts, the interest of individual donors shall come before that of SFBFS. SFBFS will urge all 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. No program, agreement, trust, contract or commitment shall be knowingly urged upon any prospective donor that would benefit SFBFS at the expense of the donor's interests and welfare.

SFBFS recognizes the potential conflict between receiving donations from certain types of funders and fulfilling our programs. SFBFS 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 SFBFS or which may put SFBFS' non-discriminatory or non-partisan standing at risk or in any way will limit SFBFS' ability to carry out our mission.

SFBFS endorses the Donor Bill of Rights promulgated by the Association of Fundraising Professionals.

Use of Gifts

UNRESTRICTED GIFTS

Gifts that do not have donor restrictions shall be directed to the general operating budget unless otherwise directed by the Board of Directors.

Restricted

Like all charitable organizations, SFBFS prefers gifts in general support of our goals over gifts for more limited purposes. Unrestricted support helps assure that SFBFS will be able to respond to the needs of Sacramento County, as those needs and desires change over time, in ways we cannot now foresee. Gifts received by SFBFS that are absent of a stated restriction will be considered unrestricted for current use.

Endowed Funds

Endowed funds represent the principal amount of gifts and bequests accepted with the donor stipulation that the principal be maintained intact in perpetuity, and that only the earnings from investment thereof be expensed either for the general purposes or for purposes specified by the donor. Written documentation of donor-imposed restrictions is required.

Anonymous Gifts

SFBFS will accept gifts from donors who wish to remain anonymous. Staff members are authorized to know the origin of the gift, including the donor's name and gift amount.

Pledge

A pledge is a promise to make a gift over a period of time or at a future date. The pledge agreement outlines the amount of the gift, any donor designations and the anticipated payment date or dates. A pledge may be unconditional, conditional or an intention to give. A conditional pledge is a promise to give only if future and uncertain conditions are met. Donor-imposed designations

are not the same as conditions. An intention to give is considered a revocable agreement. Unconditional pledges are recorded for accounting purposes in accordance with generally accepted accounting standards. All pledge types are recorded for recognition purposes in the fundraising database. Pledges may be accepted for established purposes. The pledge payment schedule typically does not exceed three years. Payment schedules exceeding three years will be reviewed by the President/CEO and Board Finance Committee.

Authority to Accept Gifts

The President/CEO and Board of Directors has the authority to solicit and/or accept non-cash gifts on behalf of SFBFS. Gifts needing additional review will be brought to the Board of Director Executive and Finance Committees for final determination.

Gift Acceptance

SFBFS reserves the right to decline any financial commitment, gift or bequest, as well as the right to determine how a gift will be credited or recognized without explanation.

1. SFBFS will pay no commissions or finder's fees as consideration for directing a gift to SFBFS.
2. Donors are responsible for obtaining their own appraisals for tax purposes of real property or tangible or intangible personal property being given to SFBFS and for any fees or other expenses related to such appraisals.
3. SFBFS retains the right to obtain our own qualified appraisals of real property or tangible or intangible personal property being offered as a gift at our own expense.
5. The Development department will initiate an acknowledgment and receipt of the gift to be sent to the donor in compliance with IRS requirements. The acknowledgment will only issue a receipt of a dollar amount if the gift is in cash or marketable securities.
6. Prospective donors shall be strongly encouraged in all cases to consult with their own independent legal and/or tax advisors about proposed gifts, including tax and estate planning implications of the gifts. No representative of SFBFS shall provide legal or tax advice to any donor or prospective donor.
7. Refunding/rescinding gifts: Under rare circumstances, SFBFS may deem it necessary to return or refund a gift. For example, when it is in the best interest of SFBFS or because conditions agreed to in accepting a gift cannot or will not be met, SFBFS will reach out to the donor for options to redirect the gift. If the donor and SFBFS cannot agree on alternatives to direct the gift, the donor may request a refund or it may be initiated by the Board of Directors.

Use of Legal Counsel

SFBFS will seek the advice of our legal counsel and/or investment advisors in matters relating to the acceptance of gifts when appropriate. Review is recommended for:

1. Closely held stock transfers that are subject to restrictions or buy-sell agreements.
2. Gifts involving contracts or documents requiring the assumption of an obligation.
3. Transactions with a potential conflict of interest.
4. All gifts of real estate/real property.
5. Other instances in which the use of counsel is deemed appropriate by the Board.

Confidentiality

All information about donors and prospective donors, including, but not limited to, their names, the names of their beneficiaries, the nature and amounts of their gifts and the sizes of their estates will be kept strictly confidential by SFBFS and our representatives. All requests by donors for anonymity will be honored, except to the extent that SFBFS is legally required to disclose the identity of donors.