



The logo for Family Promise of Southern Chester County, featuring a stylized blue figure holding a yellow star above its head, with the text "Family Promise of Southern Chester County" and the tagline "Building community, strengthening lives." below it.	<h2>Gift Acceptance Policies and Guidelines</h2>
Approved by the Board of Directors on: October 20, 2016	

INTRODUCTION:

Family Promise of Southern Chester County (“FPSCC”), organized as a Pennsylvania not-for-profit corporation, encourages the solicitation and acceptance of gifts to or for the benefit of FPSCC for purposes that will help FPSCC to further and fulfill its mission.

The mission of FPSCC is to help children and their families experiencing homelessness find sustainable housing and stability by providing shelter, meals and comprehensive support services through a network of congregations and volunteers.

FPSCC’s Board of Directors have a fiduciary duty to assure that FPSCC’s assets are used efficiently and protected from potential liabilities and diversion to purposes other than those that further FPSCC’s goals. The following policies and guidelines govern acceptance of gifts made to FPSCC.

PURPOSE OF POLICIES AND GUIDELINES:

The Board of Directors of FPSCC and its staff solicit gifts from individuals, church congregations, corporations and foundations to secure the future growth and mission of FPSCC. We appreciate donors’ considerations of any gift to FPSCC. Please call FPSCC’s Executive Director at 610-345-1100 if you have any questions or if you wish to discuss any aspect of this policy.

These policies and guidelines govern the acceptance of gifts by FPSCC and provide guidance to prospective donors and their advisors when making gifts to FPSCC. The provisions of these policies apply to all gifts to FPSCC for any of its programs. Gifts will be accepted only if they do not interfere with FPSCC’s mission, purpose or procedures.

FPSCC shall accept only such gifts as are legal and consistent with organizational policy. While FPSCC does not provide tax advice, every effort will be made to assist donors in complying with the intents and purposes of the Internal Revenue Service in allowing charitable tax benefits.

Key principles include safeguarding the confidentiality of the donor relationship, providing full disclosure to the donor, and ensuring that gifts are recorded, allocated and used according to the donor intent and designation.

GENERAL POLICIES RELEVANT TO ALL GIFTS

Use of Legal Counsel:

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

- Closely held stock transfers subject to restrictions or buy-sell agreements
- Documents naming FPSCC as Trustee
- Gifts involving contracts, such as bargain sales or other documents requiring FPSCC to assume an obligation
- Transactions with potential conflict of interest that may involve IRS sanctions
- Other instances in which use of counsel is deemed appropriate



Conflict of Interest

FPSCC will urge all prospective donors to seek assistance of independent personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. FPSCC and its employees and agents are prohibited from advising donors about the tax consequences of their donations. Gifts are also subject to the provisions of other FPSCC policies, including adopted Conflict of Interest policies.

FPSCC makes every effort to ensure accepted gifts are in the best interests of the organization and the donor.

Restrictions on Gifts

FPSCC will accept unrestricted gifts, and gifts for specified programs and purposes, provided that such gifts are consistent with its stated mission, purposes and priorities. FPSCC will not accept gifts that are too restricted in purpose. Gifts for purposes that are not consistent with FPSCC's mission cannot be accepted. Examples of gifts that are too restrictive are those that are too difficult to administer or gifts that are for purposes outside of the mission of FPSCC. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors of FPSCC.

Tax Compliance

FPSCC's policy is to comply with the Internal Revenue Service reporting requirements and all other aspects of state and federal tax law.

TYPES OF GIFTS

- Cash
- Securities
- Real Estate
- Life Insurance
- Retirement Plan Beneficiary Designation
- Bequests
- Life Insurance Beneficiary Designations

Cash - Cash refers to cash equivalents, including checks, money orders, and online payments. Checks or money orders shall be made payable to "Family Promise of Southern Chester County", shall appropriately identify the donor or donors and be delivered to FPSCC's administrative offices.

Securities - FPSCC can accept both publicly traded securities and closely held securities.

- **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 stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Finance Committee.
- **Closely Held Securities.** Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted. Such gifts, however, must be reviewed prior to acceptance to determine that:
 - a) there are no restrictions on the security that would prevent FPSCC from ultimately converting it to cash;
 - b) the security is marketable; and
 - c) the security will not generate any undesirable tax consequences for FPSCC.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The Board of Directors of FPSCC with advice of legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

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, FPSCC shall require an initial environmental review of the property to ensure



that the property has no environmental damage or potential liability. In the event the initial inspection reveals a potential problem, FPSCC shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

When appropriate, a title insurance binder shall be obtained by FPSCC prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor. Prior to acceptance of real property, the gift shall be approved by the Board of Directors of FPSCC with the advice of FPSCC's legal counsel. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of FPSCC?
- 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, etc. associated with the property?
- Does the environmental audit reflect that the property is not damaged?

Life Insurance. FPSCC will generally accept life insurance but it must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. Where any policy is accepted will depend on the economics of the transfer. If the donor contributes future premium payments, FPSCC will include the 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, FPSCC may:

- Continue to pay the premiums
- Convert the policy to paid up insurance; or
- Surrender the policy for its current cash value.

Deferred Compensation/Retirement Plan Beneficiary Designations. FPSCC generally will accept gifts designating FPSCC as a beneficiary of the donor's retirement plans including, but not limited to, IRA's, 401 (k)'s, 403 (b)'s and other plans. Such designation will not be recorded as a gift to FPSCC until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of the gift may be recorded at the time the gift becomes irrevocable.

Bequests. Donors and supporters of FPSCC are encouraged to make bequests to FPSCC under their wills and trusts. Such bequests will not be recorded as gifts to FPSCC until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable. The criteria for the acceptance of the gift or bequest will be the same as otherwise provided herein.

Life Insurance Beneficiary Designations. Donors and supporters of FPSCC will be encouraged to name FPSCC as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to FPSCC until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

MISCELLANEOUS PROVISIONS

Securing appraisals, environmental review, assessment or remediation costs and legal fees for gifts to FPSCC.

The cost to secure an appraisal, environmental review, assessment or remediation (where required) and independent legal counsel for any gifts proposed to be made to or for the benefit of FPSCC are generally the Donor's responsibility.

Fees and Commissions.

FPSCC generally does not pay "finder's fees" or commissions to third parties in connection with any kind of gift to FPSCC. FPSCC does, however, pay commissions and fees to properly negotiate and transfer assets. No officer, employee or agent of FPSCC will be compensated in any manner that is dependent on the size or nature of gifts made to FPSCC by any person. If FPSCC engages legal counsel, accounting professionals, appraiser or environmental consultants, their fees and expenses will



be determined by the time they spend engaged in FPSCC's work and not be referenced to any particular gift in connection with which they are retained.

Changes to Gift Acceptance Policies.

The Board of Directors of FPSCC must approve any changes to these policies. The policies will be regularly reviewed.