

Wenatchee Valley YMCA

Gift Acceptance Policies

Adopted November 2002, Affirmed October 1, 2013, Affirmed June 2016

Revised and Approved August 7, 2018

YMCA Mission Statement

The mission of the Wenatchee Valley YMCA is to strengthen youth, families, and communities by promoting Christian principles and putting them into practice through leadership and programs that build healthy spirit, mind and body for all.

I. Purpose of the Policies

The Board of Directors of the YMCA authorizes the solicitation of current and deferred gifts from individuals to further the growth and mission of the YMCA. These policies provide both a process for gift acceptance and guidance to prospective donors and their advisors. The provisions of these policies shall apply to all gifts received by the YMCA for any of its programs or services.

The Board of Directors of the YMCA establishes these policies and commits the YMCA to protect:

- The best interest of the donor.
- All compensated and volunteer representatives of the YMCA.
- The welfare and integrity of the YMCA.

II. Use of Legal Counsel

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

- A. All gifts involving contracts, such as bargain sales, or other documents requiring the YMCA to assume an obligation.
- B. Gifts of closely held stock that are subject to restrictions or buy-sell agreements.
- C. Transactions with potential conflict of interest that may invoke IRS sanctions.

Prospective donors shall be advised to consult their attorney in all matters related to legal instruments such as drafting of wills, trusts, agreements, contracts or others. They shall be advised to consult with their attorney or accountant on matters related to the tax implications and estate planning aspects of any agreement. If a representative of the YMCA makes a referral to an attorney, it shall be understood that the attorney is retained to represent the donor-client's interests unless otherwise specified.

III. Ethical Practices

All compensated and volunteer representatives of the YMCA will strive to conduct themselves within professionally accepted ethical practices.

Representatives of the YMCA shall exercise extreme caution to avoid pressure or undue persuasion when soliciting current and deferred gifts from prospective donors. The role of such a representative is to inform, counsel, and assist the donor in their gift planning concerns. All YMCA representatives will exercise prudent consideration of the donor's personal interests while helping to fulfill the donor's charitable objectives.

The YMCA will not enter into any gift agreement, contract or proposal for which a finder's fee, percentage of the gift or commission will be paid to any attorney, financial advisor, agent or any other individual or organization as a condition of delivering the gift to the YMCA.

The YMCA will not sell, rent or otherwise authorize the use of its donor list to any individual or organization.

The YMCA will take active measures to discontinue contacting any person upon that person's oral or written request directed to the YMCA, its professional fundraiser, or other agent.

IV. Restrictions on Gifts and Confidentiality

The YMCA will accept gifts for specific programs and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities. Gifts that are too restrictive, violate the terms of the corporate charter, are too difficult to administer, or are for purposes outside the mission of the YMCA may be rejected.

The YMCA will maintain the highest confidentiality standards for all donor files. Information in donor files may only be used for the purposes of the Wenatchee Valley YMCA.

V. Responsibility of Trustees

The Board of Trustees is responsible for oversight of YMCA Endowment and Capital funds.

The Board of Trustees retains authority to accept or reject gifts that do not fall within the parameters set forth in these policies.

VI. Current and Deferred Gifts

The YMCA will accept current and deferred gifts within the criteria discussed for each:

A. Bequests: Donors and supporters of the YMCA are encouraged to make bequests to the YMCA under their wills and all other appropriate gifting vehicles.

B. Cash: Cash shall be delivered to:

Wenatchee Valley YMCA
217 Orondo Avenue
Wenatchee, WA 98801

C. Tangible Personal Property: The YMCA will accept gifts of tangible personal property (cars, art, coin and stamp collections, furniture, jewelry, boats, etc.) on a case-by-case basis within the following criteria:

1. The property does not carry an inherent conflict with the mission of the YMCA.
2. The property is immediately marketable.
3. There are no undue restrictions on the use, display, or sale of the property.
4. Carrying costs attached to ownership of the property have been determined and are acceptable.
5. The property can be securely stored during the period of the YMCA ownership.
6. The YMCA reserves the right to complete a net value appraisal of the property to determine the financial viability of the gift.

D. Publicly Traded Securities: The YMCA will accept publicly traded securities.

Securities accepted by the YMCA will be sold as soon as possible after receipt. When donated securities are designated for the Endowment Fund of the YMCA they shall be placed, as soon as possible, under the control of an investment manager.

E. Closely Held Securities: Closely held securities will be accepted subject to the following review:

1. There are no restrictions preventing the YMCA from ultimately converting the security to cash.
2. The security is marketable.
3. Ownership of the security will not generate undesirable legal or ethical consequences for the YMCA.

F. Real Estate: The YMCA may accept gifts of real estate. Criteria for acceptance of real estate gifts shall include, but not be limited to, the following:

1. The YMCA will conduct an initial environmental review of the property to identify potential environmental damage. If the initial inspection reveals potential environmental damage, the donor shall be required to retain a qualified inspection firm to conduct a Phase I Environmental Audit of the property. A complete copy of the environmental audit shall be provided

to the YMCA. The cost of the Phase I Environmental Audit shall generally be an expense of the donor.

2. A title binder with proof of clear title shall be provided to the YMCA prior to the acceptance of the gift. The cost of the title binder shall generally be an expense of the donor.
3. It is preferred that the debt ratio of mortgaged property be less than 50% of the projected net value of the property after sale and all associated costs have been considered.
4. The YMCA shall determine if the property fits within the scope of its mission.
5. The YMCA will determine if the property is marketable. A market analysis from a qualified and licensed real estate professional shall be completed prior to gift acceptance. The market analysis will compare the subject property to comparable properties:
 - a. now on the market,
 - b. that have recently sold,
 - c. including estimates of the subject property with four prices:
 - i. highest anticipated selling price.
 - ii. lowest anticipated selling price.
 - iii. probable selling price, and
 - iv. recommended selling price.
6. The property shall have no liens.
7. The donor is responsible for the completion of a qualified appraisal of the property by a qualified appraiser.
8. The YMCA will determine what property management services will be required during the period of time the YMCA owns the property.

G. Life Estate Agreements: The YMCA will accept a life estate agreement in a personal residence, farm, or vacation property subject to the provisions for gifts of real estate. The donor or other occupants may continue to occupy the real property for the duration of the stated life. Where the YMCA 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.

H. Bargain Sales: The YMCA will enter into a bargain sale arrangement when the bargain sale furthers the mission and purposes of the YMCA. Factors used in determining the appropriateness of the transaction include:

1. If the property subject to a bargain sale donation is real estate, the criteria that apply to gifts of real estate will apply to the bargain sale property.
2. For other types of property subject to a bargain sale donation:
 - a. It is preferred that the debt ratio of the property be less than 50% of the projected net value of the property after sale and all associated costs have been considered.

- b. The YMCA will determine if the property fits within its mission.
- c. The YMCA shall calculate the costs to safeguard, insure, and expense the property during the period of YMCA ownership.

I. Life Insurance: The YMCA will 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 reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, the YMCA will include the entire amount of the additional premium payment as a gift in the year it is made.

If the donor elects to cease making gifts to cover premium payments on the life insurance policy owned by the YMCA, the YMCA may elect to:

1. Continue to pay the premiums at its' own expense.
2. Convert the policy to paid up insurance.
3. Surrender the policy for its current cash value depending on the options allowed in the insurance contract.

J. Charitable Gift Annuities: The YMCA will not issue Charitable Gift Annuities but may be designated as a beneficiary. The YMCA will provide assistance and counsel to donors considering establishing a Charitable Life Annuity with another agent for the benefit of the YMCA.

K. Charitable Remainder Trusts: The YMCA will not accept designation as a trustee but may be designated as a beneficiary. The YMCA will provide assistance and counsel to donors considering establishing a Charitable Remainder Trust with another agent for the benefit of the YMCA.

L. Charitable Lead Trusts: The YMCA will accept designation as an income beneficiary of a Charitable Lead Trust. The YMCA will not accept an appointment as Trustee of a Charitable Lead Trust. The YMCA will provide assistance and counsel to donors considering establishing a Charitable Lead Trust with any other agent for the benefit of the YMCA.

M. Retirement Plan Beneficiary Designations: The YMCA will accept designation as beneficiary of all forms of legally allowable retirement plans.

N. Other Gifts In Kind: All donors making in-kind gifts are asked to complete an in-kind donation form so donations are correctly recorded and acknowledged. Donors of in-kind gifts are not credited a specific dollar amount unless an appraisal of the gift from a qualified third party accompanies the gift or the gift is new and accompanied by a copy of the purchase receipt. For recording purposes, gifts without an appraisal or receipt copy are valued at \$0.01. All in-kind gifts are acknowledged in writing with a thank you letter and a receipt describing the item.

The following language is included in the receipt provided for the donation of in-kind gifts with an estimated value greater than \$5,000: a. Your gift may require you to complete IRS Form 8283 together with an appraisal of the donated gift(s). Please consult your tax advisor. b. The deduction you receive from this gift may be limited to the lower of the cost or the market value of the goods donated.

- VII. Valuation of gifts. The YMCA will use consistent methods for recording gifts for financial development purposes and accounting purposes and follow defined gift criteria in the IRS code, and Financial Accounting Standards Board rules.
- VIII. Gift Acknowledgement and Management: The acknowledgement and management of all gifts made to the YMCA will comply with current IRS and local requirements and shall be the responsibility of Chief Executive Officer.
 - 1. Responsibility for IRS Filings upon sale of gift items. The YMCA is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold, following all details and restrictions stated in Form 8282.
 - 2. Confidentiality: Information about donors and donations is handled with respect and confidentiality. The YMCA does not exchange, lend, rent or sell its donor lists to third party organizations. Information in donor files may only be used for the benefit of The YMCA.
 - 4. Discontinuing Contact for Solicitation upon Request: The YMCA will discontinue contacting any person upon that person's oral or written request directed to The YMCA, its professional fundraiser, or agent.

VIII. Changes to Gift Acceptance Policies

These policies and guidelines are reviewed and updated annually and accepted by the YMCA's Board of Directors. The YMCA's Board of Directors must approve, in writing, any changes to or deviations from these policies.

Reviewed by the Y's Legal Counsel Ernest Radillo: _____ date _____

Signature _____ Date _____
Secretary of the Board of Directors:

Signature _____ Date _____
Chair of the Board of Directors

Signature _____ Date _____
Chief Executive Officer