



GIFT ACCEPTANCE POLICY

Second Harvest Food Bank, East Central Indiana, Inc. solicits and accepts gifts to help the organization further and fulfill its mission. Second Harvest Food Bank, East Central Indiana, Inc. urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

The following policies and guidelines govern the acceptance of gifts made to Second Harvest Food Bank East Central Indiana, Inc. to benefit any of its operations, programs, or services.

Use of Legal Counsel – Second Harvest Food Bank, East Central Indiana, Inc. will seek the advice of legal counsel in matters relating to the acceptance of gifts when appropriate.

Review by counsel is recommended for:

- (a) Gifts of securities that are subject to restrictions or buy-sell agreements.
- (b) Documents naming Second Harvest Food Bank, East Central Indiana, Inc. as trustee or requiring Second Harvest Food Bank, East Central Indiana, Inc. to act in any fiduciary capacity.
- (c) Gifts requiring Second Harvest Food Bank, East Central Indiana, Inc. to assume financial or other obligations.
- (d) Transactions with potential conflicts of interest.
- (e) Gifts of property that may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts:

Second Harvest Food Bank, East Central Indiana, Inc. will not accept gifts that:

- (a) would result in Second Harvest Food Bank, East Central Indiana, Inc. violating its corporate charter,
 - (b) would result in Second Harvest Food Bank, East Central Indiana, Inc. losing its status as an IRS 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 Second Harvest Food Bank, East Central Indiana, Inc.
- or
- (e) are for purposes outside of Second Harvest Food Bank, East Central Indiana, Inc.'s mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee, in consultation with the Finance Committee if appropriate and necessary, and the President & CEO.

Gifts Generally Accepted Without Review:

- (a) **Cash.** Cash gifts are acceptable in any form, including by check, money order, credit card, or online. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard,



American Express), card number, expiration date, and the name of the card holder as it appears on the credit card.

- (b) **Marketable Securities.** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by Second Harvest Food Bank, East Central Indiana, Inc.'s Finance Committee. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances, the decision whether to accept the restricted securities shall be made by the Executive Committee.
- (c) **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities, and Retirement Plans.** Donors are encouraged to make bequests to Second Harvest Food Bank, East Central Indiana, Inc. under their wills and to name Second Harvest Food Bank, East Central Indiana, Inc. as the beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans.
- (d) **Charitable Remainder Trusts.** Second Harvest Food Bank, East Central Indiana, Inc. will accept designation as a remainder beneficiary of charitable remainder trusts.
- (e) **Charitable Lead Trusts.** Second Harvest Food Bank, East Central Indiana, Inc. will accept the designation as an income beneficiary of charitable lead trusts.

Gifts Accepted Subject to Prior Review—Certain forms of gifts or donated properties may be subject to review before acceptance. Examples of gifts subject to prior review include, but are not limited to:

- (a) **Tangible Personal Property.** The Executive Committee shall review and determine whether to accept any gifts of tangible personal property with the following considerations: does the property further the organization's mission? Is the property marketable? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?
- (b) **Life Insurance.** Second Harvest Food Bank, East Central Indiana, Inc. will accept gifts of life insurance where Second Harvest Food Bank, East Central Indiana, Inc. 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.
- (c) **Real Estate.** All gifts of real estate are subject to review by the Executive Committee. Before the acceptance of any gift of real estate other than a personal residence, Second Harvest Food Bank, East Central Indiana, Inc. shall require an initial environmental review by a qualified environmental firm. If the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include: Is the property



useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?