



Gift Acceptance Policy

Purpose of Gift Acceptance Policy

HVO solicits financial support to implement programs and projects and to plan for long-term sustainability. The purpose of this gift acceptance policy is to give guidance and counsel to those individuals within HVO concerned with the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of financial gifts. This policy is also meant to provide clarity for prospective donors.

These policies should be viewed as flexible and realistic in order to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with HVO's mission and policies.

Flexibility must be maintained since some gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of either the board along with legal counsel or directors if necessary.

Roles & Authority

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are managed by the Executive Director with the appropriate staff.

Extraordinary gifts (such as bequests, gifts with long-term restrictions, gifts of real estate, gifts from a foreign source, or gifts that have the potential to raise ethical questions) are subject to review and approval of the board of directors.

The Executive Committee of the Board is charged with reviewing gifts as needed and requested by the Executive Director. The Executive Committee will also review these policies periodically and recommend changes to its Board as circumstances warrant.

Types of Gifts Accepted

Donations generally will be accepted from individuals, corporations, organizations, government agencies or other entities without limitation, subject to the restrictions below.

Gifts of Cash: Cash is acceptable in any form and can be made by sending to HVO at 1900 L St, NW, Suite 310, Washington DC 20036.

Gifts of publicly traded securities: HVO accepts gifts of publicly traded securities. All marketable securities will be sold upon receipt. These can be liquidated by the donor with proceeds sent to HVO; transferred to HVO's brokerage account; or made by sending the designated recipient organization the security certificate(s) and, in a separate mailing, signature and stock power. Donors who opt to send certificates and stock power will be notified that the sale process can take several days and might adversely affect the end sale price and tax-deduction. It is the preference of HVO to have donors liquidate their own securities or transfer them electronically to the designated organization's brokerage account to ensure the donor is comfortable with the timing and sale price.

Bequests: HVO encourages donors to make bequests in wills and trusts. The value of bequests to an organization will not be recorded until the gift is received from the donor's estate.

Beneficiary designation of life insurance, retirement or bank accounts: HVO encourages donors to name the organization as the primary or partial beneficiary of life insurance policies, retirement plans and bank accounts. Donors should specifically make a beneficiary designation to the organization, rather than simply indicating the beneficiary status in a will.

Real Estate and personal property: In general, HVO does not accept gifts of real estate or other personal property such as boats, artwork or jewelry. However, HVO's Executive Committee reserves the right to consider gifts of real estate and personal property on a case-by-case basis. Individuals who wish to make a gift of real estate or personal property will be notified of the need for a thorough review by the Executive Director. The timeline and process for review will vary and is based on the facts surrounding the gift offer.

Costs associated with a gift of real estate, including closing costs, transfer taxes and title binders will be the responsibility of the donor. Criteria for acceptance of real estate or personal property will include:

1. Marketability of the property
2. Restrictions, reservations, easements and other limits associated with the property
3. Carrying costs, which may include mortgages, property taxes, insurance and other fees associated with the property
4. Environmental considerations

Restrictions on Gifts

HVO reserves the right to refuse or return gifts to donors whose functions and goals are inconsistent with that of the organization. Examples of unacceptable gifts include:

1. Gifts from a source is inconsistent with HVO's mission, vision and values;
2. Gifts that violate any federal, state, or local statute or ordinance;
3. Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest and property;
4. Gifts that are financially unsound;
5. Gifts that could expose the organization to liability.

Unrestricted gifts are strongly encouraged unless 1) the donor indicates that he or she is only willing to make a restricted gift or 2) the option of a restricted gift will otherwise significantly increase the chances of obtaining a gift from the donor.

Multiyear pledges for major gifts are encouraged, but for no more than three to five years. Donors should complete and sign a gift or pledge agreement form detailing the purpose of the gift, payment schedule and how they wish their names to appear in donor-recognition materials.

When gifts with restrictions are accepted, restrictions will be honored. These restrictions will be detailed in the donor's gift or pledge commitment letter.

Professional Advice

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 HVO shall provide legal or tax advice to any donor or prospective donor.

Upon request, representatives of HVO may provide to the donor sample bequest language for restricted and unrestricted gifts to ensure that a bequest is properly designated. HVO may also provide, upon request, IRS-approved prototype trust agreements for review and consideration by a donor and his or her advisors. The sample nature of such language or agreements shall be clearly stated on all documents given to donors, and donors shall be advised that consultation with their own legal and tax advisors is essential prior to use of such standard language or specimen agreements.

Receipts & Disclosures

As a 501(c)(3) organization, HVO is required to acknowledge certain gifts if goods or services of a certain value are provided in return. Many donors must receive an acknowledgement in order to be able to take a charitable deduction. Representatives of the organization are expected to understand and comply with federal and state legal obligations imposed on the organizations related to the solicitation and acceptance of gifts.

Approved by HVO Board of Directors, November 8, 2018