

Hearts In Motion (HIM) Gift Acceptance Policy – Board approved 10/13/20

1. Hearts In Motion (HIM) solicits and accepts gifts that are consistent with its mission and that support its operations, programs, services, and projects. Unrestricted gifts are preferred whenever possible.

2. Donations and other forms of support will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities.

3. When considering whether to solicit or accept gifts, the HIM will consider the following factors:

- a) Values — whether the acceptance of the gift compromises any of HIM core values
- b) Compatibility — whether there is compatibility between the intent of the donor and the organization's use of the gift
- c) Public Relationships — whether acceptance of the gift will damage HIM's reputation.
- d) Primary Benefit — whether the primary benefit is to HIM rather than the donor.
- e) Consistency — is acceptance of the gift consistent with prior practice?
- f) Form of Gift — is the gift offered in a form that HIM can use without incurring substantial expense or difficulty?
- g) Effect on Future Giving — will the gift encourage or discourage future gifts?

4. Restrictions on Gifts— HIM will not accept gifts that:

- a) Would result in HIM violating its corporate charter;
- b) Would result in HIM 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 HIM;
- e) Are for purposes outside of HIM's mission; and,
- f) If the gift is \$1000 or greater and is to be restricted or directed to a specific purpose, program, or project, the donor shall provide such specification in writing.

5. Anonymous Donor Gifts: To the extent allowable within the Internal Revenue Services' reporting regulations for non-profits, HIM will protect the anonymity of donors who do not want their name used in any promotional material, wish their name removed from solicitation lists, or wish to have their gifts or services be anonymous. The HIM's Executive Director, Board President, and Board Treasurer will know the identity of an anonymous donor.

6. All decisions to solicit and/or accept potentially controversial gifts will be made by the Executive Committee of the Board in consultation with the Executive Director. The primary consideration will be the impact of the gift on HIM, and will generally follow the guidelines below.

GUIDELINES FOR ACCEPTANCE OF A GIFT TO HIM

A. Gifts Generally Accepted Without Review—

i) Cash: Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type, card number, expiration date, and name of the card holder as it appears on the credit card.

ii) 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. In some cases marketable securities may be restricted (e.g. by applicable securities laws or terms of the proposed gift); in such cases the decision to accept the restricted securities shall be made by the Executive Committee.

iii) Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans: Donors are encouraged to make bequests to HIM under their wills, and to name HIM as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

iv) Charitable Remainder Trusts: HIM will accept designation as a remainder beneficiary of charitable remainder trusts.

v) Charitable Lead Trusts: HIM will accept designation as an income beneficiary of charitable lead trusts.

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

i) Tangible Personal Property. The Executive Committee shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?

ii) Life Insurance. HIM will accept gifts of life insurance where HIM 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.

iii) Real Estate. All gifts of real estate are subject to review by the Executive Committee. Prior to acceptance of any gift of real estate other than a personal residence, HIM shall consider whether to conduct an initial environmental review by a qualified environmental firm. In the event that 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?