Gift Acceptance Policy for Kiss the Ground

Introduction

In order to protect the interests of Kiss the Ground and the persons and other entities that support its programs these policies are designed to assure that all gifts to, or for the use of, Kiss the Ground are structured to provide maximum benefits to both parties.

This document will focus on both current and deferred gifts, with special emphasis on various types of deferred gifts and gifts of non-cash property.

The goal is to encourage funding of Kiss the Ground without encumbering the organization with gifts which may prove to generate more cost than benefit, or which are restricted in a manner which is not in keeping with the goals of Kiss the Ground.

To optimize funding from individuals and other entities, Kiss the Ground must be capable of responding quickly, and in the affirmative where possible, to all gifts offered by prospective donors. It is understood that except where stated otherwise, these policies are intended as guidelines, and that flexibility must be maintained since some gift situations can be complex, and decisions only made after careful consideration of a number of interrelated factors. Therefore, these policies will in some instances require that the merits of a particular gift be considered by the Board of Directors and a final decision be made only by that body. Kiss the Ground’s fundraising committee and Board of Directors will review the policies outlined herein and make amendments when deemed necessary.

Kiss the Ground does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

Outright Gifts

Cash

1. Gifts in the form of cash and checks shall be accepted regardless of amount unless, as in the case of all gifts, there is a question as to whether the donor has sufficient title to the assets or is mentally competent to legally transfer the funds as a gift to Kiss the Ground.

2. All checks must be made payable to Kiss the Ground and shall in no event be made payable to an employee, agent, or volunteer for the credit of Kiss the Ground.

Publicly Traded Securities

1. Securities which are traded on the New York or American Stock Exchange in the U.S., or Canadian Stock exchange in Canada, shall be accepted by Kiss the Ground. It may be anticipated that such securities will be immediately sold by Kiss the Ground. In no event shall an employee or volunteer working on behalf of Kiss the Ground commit to a donor that a particular security will be held by Kiss the Ground unless authorized to do so by an officer of Kiss the Ground.
Closely Held Securities
1. Non-publicly traded securities may only be accepted after approval of the Board of Directors in consultation with Kiss The Ground’s legal representation.
2. Such securities may be subsequently disposed of only with the approval of the Board of Directors.

Real Property
1. No gift of real estate shall be accepted without prior approval of the Board of Directors in consultation with Kiss the Ground’s legal representation.
2. No gift of real estate shall be accepted without first being appraised by a party chosen by Kiss the Ground that shall have no business or other relationship to the donor.
3. No commercial real estate shall be accepted by anyone on behalf of Kiss the Ground without subsequent approval of the Board of Directors in consultation with Kiss The Ground’s legal representation.
4. Real estate shall not be accepted to fund a charitable gift annuity without seeking an opinion as to the permissibility of this action under the laws of the state(s) or province(s) involved and approval by the Board of Directors in consultation with Kiss The Ground’s legal representation.
5. Special attention shall be given to the receipt of real estate encumbered by a mortgage, as the ownership of such property may give rise to unrelated business income for Kiss the Ground, and disqualification of certain split interest gifts unless handled in a proper manner.

Tangible Personal Property
1. No personal property shall be accepted by Kiss the Ground unless there is reason to believe the property can be quickly disposed of. No personal property shall be accepted that obligates Kiss the Ground to ownership of its use in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard will be accepted without prior approval of the Board of Directors in consultation with Kiss The Ground’s legal representation.
2. Only the Board of Directors or persons authorized by the Board of Directors to do so may represent to a donor that property will or will not be held by Kiss the Ground for a requisite period of time or for purposes related to its tax-exempt status. Donors should be notified at the time of receipt of a gift that Kiss the Ground will, as a matter of corporate policy, cooperate fully in all matters related to IRS or CRA investigations of non-cash charitable gifts.

Other Property
1. Other property of any description included mortgages, notes, copyrights, royalties, easements, whether real or personal, shall only be accepted by action of the Board of Directors or persons duly acting on its behalf.

Deferred Gift
Bequests
1. Gifts through wills (bequests) shall be actively encouraged by Kiss the Ground.
2. In the event of inquiry by a prospective legator, representations as to the future acceptability of property proposed to be left to Kiss the Ground in a will or other deferred gift shall only be made in accordance with the terms and provisions of paragraphs I (A-F) of this document.
3. Gifts from the estates of deceased donors consisting of property which is not acceptable shall be rejected only by action of the Board of Directors. The legal counsel of Kiss the Ground shall expeditiously communicate the decision of the Board of Directors to the legal representative of the estate. If there is any indication that the representatives of the estate or any family member of the deceased is dissatisfied with the decision of the Board of Directors, this fact shall be communicated to the Board of Directors or to the appropriate member of the development staff as quickly as possible.
4. Attempts shall be made to discover bequest expectancies wherever possible in order to reveal situations which might lead to unpleasant donor relations in the future. Where possible, intended bequests of property other than cash or marketable securities should be brought to the attention of the Board of Directors and every attempt be made to encourage the donor involved to conform his or her plans to Kiss the Ground policy.

Charitable Remainder Trusts
1. In general, Kiss the Ground will not serve as sole trustee of a charitable remainder trust for the benefit of the institution. This policy may only be waived by a written resolution of the Board of Directors in consultation with Kiss the Ground’s legal representation.
2. The donor shall be responsible for finding corporate fiduciaries to serve as trustee of the charitable remainder trust. Only with the approval of the Board of Directors, and in consultation with Kiss the Ground’s legal representation, may any corporate fiduciary be recommended to a donor.
3. The fees for management of a charitable remainder trust will only be paid by Kiss The Ground upon approval of the Board of Directors.
4. The Board of Directors and other employees and volunteers acting on behalf of Kiss the Ground should become familiar with the types of property generally accepted by corporate fiduciary as suitable contributions to charitable remainder trusts and employees or others acting on behalf of Kiss the Ground shall not encourage donors to make gifts of any property to charitable remainder trusts which are not in keeping with such guidelines.
5. No representations shall be made by any employee or other persons acting on behalf of Kiss the Ground as to the manner in which charitable remainder trust assets will be managed or invested by a corporate fiduciary without the prior approval of such representation by the fiduciary.
6. Charitable remainder trusts and all other deferred gifts shall be encouraged as a method of making gifts to Kiss the Ground while retaining income which may be needed by the donor for any number of personal purposes.

Life Estate Gifts
1. When appropriate, and subject to the policies set forth herein for Real Property, donors shall be encouraged to make gifts of real property to Kiss the Ground under which they maintain a life interest in the property.

2. Such gifts may be accepted by approval of the Board of in consultation with Kiss the Ground’s legal representation, and where there has been full disclosure to the donor of the possible future ramifications of the transaction.

Gift of Life Insurance

1. Kiss the Ground will encourage donors to name Kiss the Ground to receive all or a portion of the benefits of life insurance policies that they have purchased on their lives.

2. Kiss the Ground will not, however, as a matter of course agree to accept gifts from donors for the purpose of purchasing life insurance on the donor’s life. Exceptions to this policy will be made only after researching relevant state/provincial laws to assure that Kiss the Ground has an insurable interest under applicable state/province law.

3. No insurance products may be endorsed for use in funding gifts to Kiss the Ground without board approval.

4. In no event shall lists of Kiss the Ground donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donors and/or Kiss the Ground. This policy is based on the fact that this practice represents a potential conflict of interest, may cause donor relations problems, and may subject Kiss the Ground to state/province insurance regulation should the activity be construed as involvement in the marketing of life insurance.

Payment of Fees Related to Gifts to Kiss the Ground

Finder’s Fees or Commissions

1. Kiss the Ground will pay no fee to any person as consideration for directing a gift to Kiss the Ground. It is understood that such fees may or may not be legal and that in the case of irrevocable deferred gifts which involve management of assets, the payment of such fee may subject Kiss the Ground and its management and board of directors to federal and state/province security regulation.

Professional Fees

1. Kiss the Ground will pay reasonable fees for professional services rendered on its behalf in connection with the completion of a gift to Kiss the Ground. Such fees will be paid only with prior written approval of the Board of Directors.

2. The donor will pay its own fees for professional services rendered on its behalf in connection with the completion of a gift to Kiss the Ground.

3. Fees shall be paid to professional retained by Kiss the Ground only upon approval of the Board of Directors. Fees must be reasonable, and directly related to the completion of a gift. They shall be limited to appraisal fees (if allowed by IRS rules) by persons who are competent and qualified to appraise the property involved and who have no conflict of interest, legal fees for the preparation of documents, accounting fees incident to the transaction, and fees of “fee for service” financial planners. In the case of financial
planners, such persons must aver in writing that they are compensated only through fees for services rendered and that they are not compensated for the sale of products to clients. This distinction is vital in avoiding the payment of commissions that could be construed as triggering securities regulation.

4. In the case of legal, accounting and other professional fees, an attempt shall be made by the Board of Directors to ascertain the reasonableness of these fees prior to payment. An hourly breakdown of time should be requested. In cases that appear excessive, the summary of fees shall be submitted to Kiss the Ground corporate counsel for review and approval prior to payment.

5. In situations where advisors retained by Kiss the Ground prepare documents or render advice in any form to Kiss the Ground and/or a donor to Kiss the Ground, it shall be disclosed to the donor that the professional involved is in the employ of Kiss the Ground and is not acting on the behalf of the donor and that any documents or other advice rendered in the course of the relationship between Kiss the Ground and the donor should be reviewed by counsel for the donor prior to completion of the gift.

Restrictions

1. In addition, the following gifts will not be accepted by Kiss The Ground:
   a. Any gifts that violate federal, state, or local law, statute, or ordinance
   b. Any gifts that contain unreasonable conditions or partial interest in property
   c. Any gifts that are made with conditions that state the proceeds will be spent by Kiss The Ground for the personal benefit of a named individual
   d. Any gifts that could expose Kiss The Ground to liability
   e. Any gifts that are counter to Kiss The Ground’s purpose, mission or ethics

Endowment Restriction

1. No restrictions on how gifts may be used by Kiss the Ground will be honored without prior approval of the Board of Directors in the case of current gifts or subsequent approval by the Board of Directors in the case of gifts received by will or other gift which is effective at death which has not been previously approved by the Board of Directors.