



**POLICY #:** 10.1.03.01

**POLICY TITLE:** Gift Acceptance Policy

**EFFECTIVE DATE:** June 9, 2020

**LAST REVISION DATE:** January 8, 2026

**RESPONSIBLE OFFICE:** Each VYH location with direction from the Advancement Department.

**PURPOSE:** While good relationships with donors and prospective donors to VYH are the responsibility of all VYH employees, the Advancement Department is responsible for all fundraising, marketing, and public relations activities for Valley Youth House Committee, Inc. (VYH) and serves as the official gift acceptance unit for all charitable contributions. VYH is a registered 501(c)(3) nonprofit organization and the following policy governs the solicitation of gifts by VYH and sets forth basic management and financial practices that are vital to successful philanthropic development.

#### **GUIDELINES ON SOLICITATION AND ACCEPTANCE OF CHARITABLE GIFTS:**

**Fundraising/Solicitation:** An orderly and ongoing process of communicating the case for support for VYH and its entities, formal cultivation of prospective donors, and formal solicitation of funds or in-kind donations from individuals, corporations, foundations, public charities, estates, or trusts. Formal solicitation of funds may include personal contact, direct mail, fundraising events, grant writing, or any combination of the above in the name of VYH.

**Gift:** A gift, as generally defined, is something of value that is transferred from one person to another without compensation. VYH will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are consistent with VYH's mission, purpose, policies and priorities. Gifts may be for current use funds, endowment, or for capital projects and can be outright or expectant. No gift or gift agreement may be accepted by VYH unless it complies with the requirements of the guidelines herein stated. Direct donor involvement in the administration of a gift is not allowed, although minimal advisory, consultative involvement may be acceptable, if agreed to in advance. Except initiated by VYH, pledge periods should not exceed five years.

**Corporate Matching Gifts:** Corporate matching gifts will apply to the individual's cumulative gift level. All corporate matching gifts will be acknowledged. Special acknowledgement will be made to the donor/employee who made the matched gift.

**Tribute Gifts:** Gifts will be acknowledged to both the donor and the family of the remembered person. No dollar amounts are revealed to the family. The name of the person, in whose name donations have been made, will be listed in the VYH Annual Report under the giving level that reflects the accumulated donations achieved in their name.

**Gift Processing:** All VYH departments and locations are responsible for forwarding to the Advancement Department all checks and accompanying material and information regarding charitable contributions (cash, securities, capital, and in-kind), including any written designation instructions from the donor(s). Advancement Department staff is responsible for entering gift information into the donor database and assuring contributions are credited to the proper program and/or fund. All restrictions on charitable gifts will be honored as specified by the donor.

**Gift Recognition and Acknowledgments:** All recognition and acknowledgement of gifts and/or pledges of future gifts will be coordinated through the Advancement Department. In order to fulfill Internal Revenue Service requirements, the Advancement Department receipts all charitable gifts for VYH, or any of its programs or locations.

An effective donor recognition program must establish distinguished categories for each of its donors based upon the size of the gift made. While every gift is important and will ultimately help VYH, more significant donors will be recognized for their extraordinary leadership and generosity.

### **Engagement Opportunities / Member Benefits:**

#### *Champions for Youth:*

Committed to the mission of Valley Youth House, *Champions for Youth* are a distinguished philanthropic community recognized for making annual contributions of \$1,000 or more during a calendar year.

- Special recognition, according to donor's wishes, as *Champions for Youth* in published donor lists
- Invitation to Volunteer Impact Day
- Updates on Valley Youth House news through our donor newsletter, *Around the House*

#### *Innovators Society:*

Dedicated to creating positive change in the lives of vulnerable youth and families, members of the *Innovators Society* are a distinguished philanthropic community recognized for making annual contributions of \$5,000 or more during a calendar year.

- Special recognition, according to donor's wishes, as *Innovators Society* members in published donor lists
- Invitation to attend exclusive annual *Innovators Society* donor recognition event and *Volunteer Impact Day*
- Updates on Valley Youth House news through our donor newsletter, *Around the House*

#### *Catalyst Society:*

Members of the *Catalyst Society* have expressed their commitment to Valley Youth House by naming the agency as the ultimate beneficiary of a planned gift valued at \$25,000 or more.

- Special recognition, according to donor wishes, as members of the *Catalyst Society* in published donor lists.

- Invitation to attend exclusive annual *Innovators Society* donor recognition events, *Volunteer Impact Day*, Valley Youth House's *Annual Meeting*, program presentations and other special events.
- Updates on Valley Youth House news through our donor newsletter, *Around the House*
- Our sincere appreciation for making a lasting commitment to the long-term prosperity of Valley Youth House and to young people and their families throughout our community

**Outright Gifts/Expectancies - Acceptable assets:** The following assets may be deemed acceptable as outright gifts to VYH. In all instances, the Board of Directors has final determination of accepting or rejecting the gift.

- Cash, check, wire, and/or donor-advised funds.
- Stocks (closely held needs to be marketable/sellable), bonds, or shares of mutual funds may be accepted and will be valued as determined by the IRS at the average of the highest and lowest trading prices on the date the investment is contributed to VYH.
- Life Insurance policies that are established by the donor and have named VYH as owner and beneficiary will be recognized at the cash surrender value and for premiums paid. Paid up life insurance policies will be recognized at the cash surrender value, and are preferred. If a policy is accepted that is not paid up, VYH is under no obligation to continue premium payments, but may do so if it is found to be in the best interest of the Agency. Existing policies not fully paid up will be recognized at existing cash value.
- Gifts of real property may be accepted at fair market value, if, at the time of the gift, there are no outstanding mortgages, tax liens, or other financial encumbrances upon the land. Such value shall be established by at least one recent, reliable, and qualified appraisal acceptable to VYH and provided by the donor at donor's cost, as required by the IRS.
- Gifts in-kind, including but not limited to tangible personal property, merchandise, vehicles, boats, aircraft, art, stamp/coin collections, technology, home furnishings, equipment, inventory, etc. may be accepted if there are no significant restrictions, limitations, or unreimbursed additional expenses for their present or future use, display, maintenance, transfer, sale, insurance, storage, or other fees and costs. Gifts in-kind will be valued as described below:
  - If a donor gives a vehicle and VYH sells it without "significant intervening use or material improvement," the deduction will be the gross proceeds of the sale.
  - If VYH makes use of the vehicle or materially improves the vehicle, the deduction usually is fair market value.
- Gifts of Retirement Plans are acceptable through direct transfer of regular IRA, Roth IRA, 401K, 403B rollover to VYH and/or by naming VYH as the beneficiary successor or contingent beneficiary for all or part of the assets upon death of either the retirement asset owner or spouse. Donor should contact their fund custodian to initiate the transfer.

- Testamentary Gifts – VYH may accept any gifts approved by these guidelines if offered to VYH through bequests, will substitutes, or testamentary trusts and instruments. Such gifts will be subject to the same guidelines and restrictions as if the gift had been made to VYH during the donor's lifetime. VYH may disclaim any bequest or testamentary gift if determined by the Board of Directors to be in the best interests of VYH to do so.

**Endowment Funds:** Generously established endowments are a specifically designated pool of assets held and invested by VYH to provide long-term growth interest and annual funding for programs and services for youth and families served by Valley Youth House. Endowment funds can be created by a single or multiple donors, in honor or memory of a loved one, to ensure perpetual financial resources. Donors may contribute to an already established endowment fund, or establish a new fund to be directed for unrestricted use or to a specific purpose of their choice. A gift of any size may be contributed to an already existing endowment fund. The minimum gift level to establish an endowment fund is \$250,000, and may bear the name of the principal donor(s) or such individual as designated by the principal donor(s). This minimum amount can be committed via a pledge and paid over a period of time or as a lump sum. The annual spendable amount will be calculated the year following the endowment becoming fully funded and the minimum gift amount met. The corpus of the fund will be held in perpetuity and a percentage of the net income of endowed funds, in accordance with the Valley Youth House Investment Policy, will be allotted for annual expenses.

**Conflicts of Interest:** No VYH employee shall provide any legal advice or financial planning services to any prospective donor. All prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and/or estate planning consequences. Only attorneys-at-law, licensed to practice in the Commonwealth of Pennsylvania and serving as counsel on behalf of VYH shall be authorized to offer legal opinions on matters related to gift solicitation, acceptance, and disposition.

**Ethical Considerations:** VYH is committed to ethical engagement. All solicitations on behalf of VYH shall adhere to the standards in the *Donor Bill of Rights*, as developed by the Association of Fundraising Professionals (AFP), American Association of Fund Raising Counsel (AAFRC), Association of Healthcare Philanthropy (AHP), and the Council for Advancement and Support of Education (CASE). Additionally, all fundraising staff shall adhere to the *Model Standards of Practice for the Charitable Gift Planner*, as adopted by the National Association of Charitable Gift Planners, when soliciting planned gifts. VYH is committed to honoring donor intent to the extent it is legal, consistent with VYH's mission and tax exempt purposes, and capable of being performed. All information about a donor including names, ages, gift amounts, net worth, etc., should be kept strictly confidential unless permission is obtained from the donor to release such information and publicly announce or recognize a gift.

Attachments: *Donor Bill of Rights, Model Standards of Practice for the Charitable Gift Planner*