

ALIVE!, Inc.

GIFT ACCEPTANCE POLICIES

I. GENERAL INFORMATION

A. Purpose

This policy will guide the staff and volunteers of ALIVE!, Inc. (hereby referred to as ALIVE!) when discussing current and deferred gifts with donors and their adviser(s). It is intended to establish the process for the acceptance and management of all gifts.

B. Status

ALIVE! is a 501(c)(3) entity whose mission is, through faith and love, to help people faced with emergency situations or long-term needs become capable of assuming self-reliant roles in the community. All contributions and bequests made to ALIVE! are tax-deductible to the extent allowed by law. The federal tax identification number for ALIVE! is 54-0914017.

C. Policy

The task of all volunteers and staff is to inform, guide, or otherwise assist the donor in fulfilling his/her philanthropic wishes, but never to pressure or unduly influence such a decision. All prospective donors are advised to consult their own attorneys and/or tax adviser(s) regarding all aspects of their proposed gifts, whether as an outright gift or by bequest, trust agreement, contract or other means. ALIVE! staff and counsel will not act as an adviser(s) to the donor regarding the drafting of wills, trust agreements or other estate planning issues because of the potential conflict of interest.

All gifts will be receipted according to the standards recommended by the Internal Revenue Service. No staff member will execute an agreement, gift contract or other legal document with any donor that differs from stated ALIVE! policies and procedures without prior approval of the Development Council.

D. Coordination Among Programs

ALIVE! recognizes that the accurate, timely processing of gifts is important to both the donor and to ALIVE!. All efforts are made to coordinate the communication process between all program entities. Any representative of ALIVE! who receives a check or a group of checks, stock certificate or any other marketable property that is, or may be, a contribution will immediately notify the main office of this matter by e-mail or telephone and will then forward such check, stock certificate or other relevant documentation to the main office.

II. GIFT ADMINISTRATION

A. Gift Processing

All checks and other gifts received by ALIVE! are directed to the main office of ALIVE!. The Administrative Assistant assures that all checks and cash are deposited as soon as feasible in an ALIVE! bank account. Copies of checks with deposit slip/batch report are used by a volunteer to enter the gift information in eTapestry. A volunteer then verifies gift information with original deposit and runs acknowledgment letters within seven business days.

B. Gifts of Publicly Traded Securities

If publicly traded securities are received by ALIVE!, the Finance/Investment Committee is notified and makes a decision to either liquidate the security or hold it should it prove more prudent to retain. If paper certificates are used, the unsigned certificate and a signed stock power should be sent by the donor to ALIVE! in separate envelopes by registered mail. An acknowledgement letter is provided to the donor, and includes the date the gift of stock was received and hi/low values for that date.

C. Illiquid Gift Assets

1. Real Estate (Minimum Fair Market Value of \$100,000)

ALIVE! requires a visual site inspection of all real estate offered as a gift by an approved representative. A gift of real estate will be accepted if the inspection results in a satisfactory or higher evaluation. ALIVE! requires a Phase I Environmental Audit to be conducted for all proposed gifts of non-residential real estate (and residential real estate if the visual site inspection is unsatisfactory). This is expected to be an expense of the donor. Under special circumstances, the Development Council may authorize the expense of the audit provided all other conditions of acceptance are met. ALIVE! will obtain (at ALIVE!'s expense) a market estimate (not an appraisal) and statement of marketability from at least two independent real estate representatives. A market estimate provides an estimate by review of comparable properties with sales within the past 3-6 months; most real estate firms generate these estimates at no cost. If the gift is completed, the donor is responsible for obtaining an appraisal for the Internal Revenue Service. The appraisal must be conducted by a qualified appraiser and meet IRS standards; the appraisal is to be made by the donor no earlier than 60 days from the date of the gift and no later than the time of the donor's income tax filing. The donor's charitable deduction is based on the appraisal. The existence of any mortgage or other encumbrance (lien, home equity loan, delinquent tax) must be disclosed and satisfied by the donor before ALIVE! will accept a gift of real estate. Carrying costs (maintenance, insurance, condo or coop fees) must also be disclosed. Results of a title search, recent tax statements and a tax map will be provided to ALIVE!. The donor is responsible for all carrying costs in the case of a gift with a retained life estate. The Development Council may authorize ALIVE! to pay carrying costs.

2. Other Non-Cash Gift Assets

Gifts of tangible assets may be acceptable to ALIVE! depending on the details of the offer. The Development Council may authorize ALIVE! to accept such gifts after a due diligence investigation. Such gifts include personal property, artwork, oil and gas interests, partnership interests, family limited partnerships and insurance policies. Due to the potential risk to ALIVE! and the financial complexity, bargain sales are not encouraged. Unless special circumstances exist, ALIVE! will use its best efforts to sell non-cash gifts as soon as possible at the highest price available.

D. Legal and Tax Counsel

The donor should have legal and/or tax counsel representing him/her in most planned and complex outright gift transactions. If the donor requests a recommendation of counsel, ALIVE! will provide the donor with no less than three viable names. If the donor wishes to proceed with a gift without the benefit of professional counsel, ALIVE! staff will remind the donor in subsequent correspondence that ALIVE! does not represent his/her interests.

E. Fees

ALIVE! absorbs the transaction costs of liquidated gifts of securities. All fees for external management, administration, and custody of charitable gift annuities and charitable remainder trusts will be paid from the gift asset, whether ALIVE! acts as trustee, co-trustee or in neither role. When ALIVE! acts as trustee, the trustee must have the discretion to allocate fees to principal, income, or a combination of both. ALIVE! pays no finders' fees for gifts.

F. Recognizing Gifts

Liquid gifts are recognized when they are received. All other gifts are recognized when the commitment is irrevocable. Planned Gifts are recognized through the Legacy Society. Donors of deferred gifts will be recognized as having made a gift in the amount of the market value of the assets transferred. This amount may be different from the amount of the donor's charitable income tax deduction.

III. GIFT VALUATION

A. Determining Value and Cost Basis

The dollar amount of a gift will be the amount of cash received; or, if in the form of a pledge, the full amount pledged; or the equivalent to the fair market value of securities or other property. Non-cash gifts with a value of less than \$5,000 will be valued at the appraised amount provided by the donor. If the gift is valued at \$5,000 or more, a qualified appraisal will be required at the donor's expense. ALIVE! may conduct an independent appraisal at its own expense if it desires.

B. Planned Gift Guidelines

Disclosure Statements are provided pursuant to the Philanthropy Protection Act of 1995 for charitable remainder trusts and gift annuity contracts. Before agreeing to serve as trustee for a planned gift, ALIVE! reserves the right to review all documents and to seek input on the charitable trust agreements from outside counsel to ensure that they conform to ALIVE!'s standards. ALIVE! and/or its employees will not act as executor of a donor's will or as trustee of a donor's revocable living trust without approval of the Development Council.

IV. SPECIAL GIFT POLICIES

A. Pledges

ALIVE! welcomes support in the form of pledges. Pledges should extend no more than five years. The Development Council may set guidelines for multi-year pledges, including minimum amounts.

B. Bequests and Living Trusts

ALIVE! welcomes bequest intentions. ALIVE! encourages donors to ensure that their family members understand the donor's estate plan or bequest intentions. ALIVE! reserves the right to disclaim a bequest if its terms are contrary to the needs or wishes of ALIVE!. Once it knows of a bequest, ALIVE! will make every effort to protect ALIVE!'s interests throughout the probate and/or administration process.

C. Gift Agreements

ALIVE! will work with donors and/or their representatives to document donors' expectations regarding criteria for the use of restricted gifts. When unusual restrictions are requested, ALIVE! will negotiate alternative language in good faith. In the absence of a Gift Agreement, correspondence with the donor will carry the same weight. The Development Council will review and approve all unusual requests. Once a gift has been offered and received, its use can be changed only with the express consent of both the donor and ALIVE!. The new terms will be added as a written addendum to the original gift agreement.

D. Permanently Restricted Funds

Unrestricted gifts provide ALIVE! the greatest flexibility to direct resources where they are most needed at any particular time. For that reason, unrestricted gifts are always preferred. From time to time, a supporter will decide to restrict a gift. ALIVE! will work with donors and/or their representatives to document donors' expectations regarding criteria for the use of restricted gifts.

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