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EXECUTIVE DIRECTOR
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March 04, 2015

MEMORANDUM FOR RECORD: Gift Acceptance Policy

The Good News Community Kitchen, a nonprofit organization headquartered in Woodbridge, VA, encourages the solicitation and acceptance of gifts to *The Good News Community Kitchen*, hereinafter referred to as TGNCK) for purposes that will help TGNCK further and fulfil its mission. The following policies and guidelines govern acceptance of gifts made to TGNCK or for the benefit of any of its program initiatives and activities related to its mission and work.

I. Purpose of Policies and Procedures

The purpose of this document is to set forth the criteria that TGNCK uses to determine that a proposed gift is acceptable and to inform prospective donors and their advisors of the types of gifts TGNCK accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by TGNCK.

II. Use of Legal Counsel

TGNCK seeks the advice of outside legal counsel as appropriate on matters relating to acceptance of gifts. Review by legal counsel is usually sought in connection with:

- a. Documents naming TGNCK as Trustee
- b. Gifts involving contracts, such as bargain sales or other documents requiring TGNCK to assume a legal obligation
- c. Gifts of patents and intellectual property
- d. Transactions with potential conflict of interest that may invoke IRS sanctions
- e. Other instances in which use of counsel is deemed appropriate by TGNCK's Board of Directors

III. Communications with Donors

TGNCK holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or a prospective donor will be granted if permission is first obtained from the donor.

IV. Conflict of Interest

TGNCK 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. TGNCK endorses the Model Standards of Practice of the Charitable Gift Planner promulgated by the National Committee on Planned Giving (attached as Appendix A) and the Donor Bill of Rights promulgated by the Association of Fundraising Professionals (attached as Appendix B).

V. Restrictions on Gifts

Restricted gifts and gifts for specific programs and purposes may be accepted, provided they are consistent with TGNCK's mission, purposes and priorities. TGNCK will not accept gifts that are inconsistent with its mission, purposes or priorities or are judged too difficult to administer.

VI. Types of Gifts

A. The following gifts may be considered for acceptance by TGNCK:

1. Cash
2. Securities (Public Only)
3. Life Insurance
4. Charitable Remainder Trusts
5. Revocable Trust Agreements
6. Charitable Lead Trusts
7. Retirement Plan Beneficiary Designations
8. Bequests
9. Life Insurance Beneficiary Designations

B. The following criteria apply to the acceptance of gifts in these categories:


1. Cash: Cash may be accepted in any negotiable form. Checks must be made payable to TGNCK and should be delivered to P.O. Box 2698, Woodbridge, VA 22195, or at TGNCK's administrative office.
2. Securities: TGNCK can accept publicly traded securities.
 - a. Publicly Traded Securities – Marketable securities will be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities will be sold upon receipt unless otherwise directed by the Board of Directors. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities may be made by TGNCK.
3. Life Insurance: TGNCK must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. In determining whether TGNCK will accept the policy, the following criteria shall be considered:
 - i. What is the type of policy, i.e., whole life, variable life, universal life, variable universal life, or term?
 - ii. Are there premiums due to ensure the death benefit will remain in place? If so, will those payments be made by the donor and will those payments be made directly to the company? Does the donor intend that the payments be made with current cash value? Does the donor expect TGNCK to make the payments if the donor is unable or unwilling to do so?
 - iii. What is the rating of the insurance company?
 - iv. Are there investment options within the policy that will impact the death benefit? Does TGNCK have the capacity to evaluate and execute those options?
 - v. Does the donor understand that TGNCK will evaluate the policy annually and may decide to convert the policy to pay up insurance or surrender the policy for its current cash value?
4. Charitable Remainder Trusts: TGNCK encourages its donor to name the organization as a beneficiary of a charitable remainder trust and will work with its donors to structure such agreements. However, TGNCK will not serve as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.

5. Revocable Trust Agreements: TGNCK encourages its donors to name the organization as a beneficiary of all or a portion of a revocable trust agreement. However, TGNCK will not serve as trustee of a revocable trust agreement and will instead encourage the donor to use a professional fiduciary.
6. Charitable Trust Leads: TGNCK may accept a designation as income beneficiary of a charitable lead trust. TGNCK will not accept an appointment as Trustee of a charitable lead trust.
7. Retirement Plan Beneficiary Designations: Donors and supporters of TGNCK will be encouraged to name TGNCK as beneficiary of their retirement plans. Such designations will not be recorded as gifts to TGNCK until such time as the gift is irrevocable.
8. Bequests: Donors and supporters of TGNCK will be encouraged to make bequests to TGNCK under their wills and trusts. Such bequests will not be recorded as gifts to TGNCK until such time as the gift is irrevocable.
9. Life Insurance Beneficiary Designations: Donors and supporters of TGNCK will be encouraged to name TGNCK as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to TGNCK until such time as the gift is irrevocable.

VII. Miscellaneous

- A. Securing appraisals and legal fees for gifts to TGNCK: It will be the responsibility of the donor to secure an appraisal (where required) and the advice of independent legal, financial or other professional advisers as needed for all gifts made to TGNCK.
- B. Valuation of gifts for development purposes: TGNCK will record a gift received by TGNCK at its valuation for gift purposes on the date of gift.
- C. Responsibility for IRS Filings upon sale of gift items: TGNCK will designate responsibility to file IRS Form 8282 upon the sale or disposition of any non-marketable asset sold within three years of receipt by TGNCK when the charitable deduction value of the item is more than \$5,000. TGNCK must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to these policies.
- D. Acknowledgement of all gifts made to TGNCK and compliance with the current IRS requirements in acknowledgement of such gifts is the responsibility of the TGNCK designee. IRS Publication 561 Determining the Value of Donated Property and IRS Publication 526 Charitable Contributions provide excellent guidance and can be downloaded from www.irs.gov.
- E. Disclosure provided for pooled funds. TGNCK will provide all appropriate disclosures as required by the Philanthropy Protection Act of 1995 for gifts contributed to pooled funds.

Adopted by the Board of Directors on March 04, 2015.



Monnikca Bell
Secretary

Anyea A. Anderson
President

Christine Elias
Vice President

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