

Youth On Their Own Gift Acceptance Policy

Youth On Their Own (YOTO) solicits and accepts gifts for purposes that will help further and fulfill its mission.

1. Acceptance of Donated Gifts

Donations will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitations, unless acceptance of gifts from a specific source is inconsistent with YOTO's mission.

In the course of its regular fundraising activities, YOTO may accept donations of the following: money, securities, real property, and personal property. Certain types of gifts must be reviewed prior to their being accepted because they may create liabilities or impose special obligations on YOTO.

The following types of unrestricted gifts are generally considered acceptable by YOTO without approval by the Finance Committee or by the Board of Directors:

- **CASH:** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line.
- **NON-RESTRICTED 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. All marketable securities will be sold promptly upon receipt unless otherwise directed by YOTO's Finance Committee.
- **BEQUESTS:** Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans. Donors are encouraged to make bequests to YOTO under their wills, and to name YOTO as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- **CRTs:** YOTO will accept designation as a remainder beneficiary of charitable remainder trusts.
- **CLTs:** YOTO will accept designation as an income beneficiary of charitable lead trusts.
- **LIFE INSURANCE:** YOTO will accept gifts of life insurance where the organization 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.

The types of gifts that will require review, and the review process, are as follows:

- **TANGIBLE PERSONAL PROPERTY:** The Finance 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?

- **REAL ESTATE:** All gifts of real estate are subject to review by the Finance Committee, wherein a title search may be undertaken. Prior to acceptance of any gift of real estate other than a personal residence, YOTO shall require 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?
- **RESTRICTED SECURITIES:** In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift. In such instances the decision whether to accept the restricted securities shall be made after review by the Finance Committee.

2. Refusal of Donated Gifts

YOTO may elect to refuse gifts of cash, securities, real estate, or other items of value if there is reason to believe that such gifts are incompatible with the mission of the organization, conflict with its core values, or would create a financial, administrative, or programmatic burden. The CEO is directed to refer questionable gifts to the Finance Committee or the Board of Directors for guidance on a case-by-case basis. Employees of the organization are encouraged to bring to the attention of the CEO or the Director of Finance any concerns they may have about the appropriateness of accepting any gift.

Gifts generally considered unacceptable by YOTO include, but are not necessarily limited to:

- Encumbered assets;
- Assets without clear title;
- Portions of assets held in partnership with other owners;
- Term life insurance policies;
- Under-funded universal life insurance policies;
- Life insurance policies with outstanding loans;
- Closely held stocks;
- Non-marketable securities; and
- Assets determined to have little potential for disposition.

YOTO may elect to refuse gifts of any type if the potential gift poses a conflict of interest including but not limited to real conflicts of interests, appearances of conflicts of interest, or perceived conflicts of interest.

YOTO will not accept gifts that would result in the organization losing its status as a 501(c)(3) not-for-profit organization. YOTO reserves the right to refuse any gift at any time for reasons either contained or not contained in this policy statement.

3. Restricted Gifts and Honoring the Intention of Donors

YOTO has adopted and enforces the AFP Code of Ethical Principles and Standards of Professional Practice (Attachment A) and A Donor Bill of Rights (Attachment B).

When funds are accepted with restrictions, restrictions will be honored. If restrictions cannot be honored, YOTO will offer to return the gift to the donor.

4. Complying with Donor Requirements

YOTO shall employ staff to manage donor requirements, including contract compliance and funder reporting. YOTO will track and manage all institutional and individual funder requirements, including schedules for narrative reports, data reports, and financial reports. YOTO staff will work collaboratively to collect any required data and to track spending according to contracted budgets.

If YOTO is not able to comply with a donor's requirements, the organization will offer to return the gift to the donor.

5. Legal Counsel

On occasion, YOTO may find it necessary to retain legal counsel to assist with issues related to accepting gifts, including the review of transactions, contracts, agreements, or restrictions, and to address actual, potential, or perceived conflicts of interest. Review by counsel is recommended for:

- Gifts of securities that are subject to restrictions or buy-sell agreements.
- Documents naming YOTO as trustee or requiring YOTO to act in any fiduciary capacity.
- Gifts requiring YOTO to assume financial or other obligations.
- Gifts of property which may be subject to environmental or other regulatory restrictions.
- Transactions with potential conflicts of interest.



CODE OF ETHICAL STANDARDS

ETHICAL STANDARDS (Adopted 1964; amended Oct 2014)

The Association of Fundraising Professionals believes that ethical behavior fosters the development and growth of fundraising professionals and the fundraising profession and enhances philanthropy and volunteerism. AFP Members recognize their responsibility to ethically generate or support ethical generation of philanthropic support. Violation of the standards may subject the member to disciplinary sanctions as provided in the AFP Ethics Enforcement Procedures. AFP members, both individual and business, agree to abide (and ensure, to the best of their ability, that all members of their staff abide) by the AFP standards.

PUBLIC TRUST, TRANSPARENCY & CONFLICTS OF INTEREST

Members shall:

- 1 not engage in activities that harm the members' organizations, clients or profession or knowingly bring the profession into disrepute.
- 2 not engage in activities that conflict with their fiduciary, ethical and legal obligations to their organizations, clients or profession.
- 3 effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.
- 4 not exploit any relationship with a donor, prospect, volunteer, client or employee for the benefit of the members or the members' organizations.
- 5 comply with all applicable local, state, provincial and federal civil and criminal laws.
- 6 recognize their individual boundaries of professional competence.
- 7 present and supply products and/or services honestly and without misrepresentation.
- 8 establish the nature and purpose of any contractual relationship at the outset and be responsive and available to parties before, during and after any sale of materials and/or services.
- 9 never knowingly infringe the intellectual property rights of other parties.
- 10 protect the confidentiality of all privileged information relating to the provider/client relationships.
- 11 never disparage competitors untruthfully.

SOLICITATION & STEWARDSHIP OF PHILANTHROPIC FUNDS

Members shall:

- 12 ensure that all solicitation and communication materials are accurate and correctly reflect their organization's mission and use of solicited funds.
- 13 ensure that donors receive informed, accurate and ethical advice about the value and tax implications of contributions.

- 14 ensure that contributions are used in accordance with donors' intentions.
- 15 ensure proper stewardship of all revenue sources, including timely reports on the use and management of such funds.
- 16 obtain explicit consent by donors before altering the conditions of financial transactions.

TREATMENT OF CONFIDENTIAL & PROPRIETARY INFORMATION

Members shall:

- 17 not disclose privileged or confidential information to unauthorized parties.
- 18 adhere to the principle that all donor and prospect information created by, or on behalf of, an organization or a client is the property of that organization or client.
- 19 give donors and clients the opportunity to have their names removed from lists that are sold to, rented to or exchanged with other organizations.
- 20 when stating fundraising results, use accurate and consistent accounting methods that conform to the relevant guidelines adopted by the appropriate authority.

COMPENSATION, BONUSSES & FINDER'S FEES

Members shall:

- 21 not accept compensation or enter into a contract that is based on a percentage of contributions; nor shall members accept finder's fees or contingent fees.
- 22 be permitted to accept performance-based compensation, such as bonuses, only if such bonuses are in accord with prevailing practices within the members' own organizations and are not based on a percentage of contributions.
- 23 neither offer nor accept payments or special considerations for the purpose of influencing the selection of products or services.
- 24 not pay finder's fees, commissions or percentage compensation based on contributions.
- 25 meet the legal requirements for the disbursement of funds if they receive funds on behalf of a donor or client.

A DONOR BILL OF RIGHTS

DEVELOPED BY:



Association of Fundraising Professionals (AFP)



Association for Healthcare Philanthropy (AHP)



Council for Advancement and Support of Education (CASE)



Giving Institute: Leading Consultants to Non-Profits

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III

To have access to the organization's most recent financial statements.

IV

To be assured their gifts will be used for the purposes for which they were given.

V

To receive appropriate acknowledgement and recognition.

VI

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

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