



## Sequoia Riverlands Trust Gift Acceptance Policy

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## 1. THE MISSION AND VISION OF SEQUOIA RIVERLANDS TRUST

### 1.1. SRT's Mission

To conserve the lands and waters of California's heartland.

## 1.2. SRT's Vision

A future where productive land and healthy natural systems are protected to generate community vitality and economic prosperity.

## 2. THE NEED FOR A GIFT ACCEPTANCE POLICY

Sequoia Riverlands Trust (SRT) solicits and accepts gifts for purposes that will help the organization fulfill its mission. The following policies and guidelines govern the acceptance of gifts to SRT to benefit any of its operations, programs, or services. SRT encourages all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the any resulting tax and estate planning implications.

## 3. PURPOSE OF GIFT ACCEPTANCE POLICY

The purpose of this Gift Acceptance Policy is to provide guidelines relating to the acceptance and processing of gifts that are consistent with SRT's mission.

## 4. DONOR'S USE OF PROFESSIONAL ADVISORS

Donors and prospective donors will be urged to seek the assistance and advice of independent professional advisors, including, but not limited to, tax or legal counsel and financial advisors, where appropriate, prior to and in matters relating to making a gift.

## 5. USE OF COUNSEL OR ADVISORS

SRT reserves the right to consult with and/or seek the advice of tax or legal counsel, or other professional advisors, in any and all matters relating to the acceptance of gifts.

## 6. DONOR DATABASE, DONATION TRACKING, AND PRIVACY

### 6.1. ELECTRONIC SYSTEMS

SRT uses electronic systems to track donor relationships, giving, and interactions with the organization. All donations are entered into this system, and receipts are generated and tracked through it. This is a private, secure system with limited access to SRT Investments & Partnerships, Administrative, and Finance Offices. As of November 2023, SRT's donor database is Charity Engine.

### 6.2. DONOR PRIVACY

- We will not sell, trade, or share personal information collected on our website or through any other channels with anyone else.
- We will only share your information if you give us specific permission to do so.
- We will only use payment information and billing addresses to process donations, complete event registrations, and communicate with you.

- We will use personal information to protect against potential fraud.
- You can review your account and update your communication preferences via our website and donor portal. There, you can review and edit the information we collected about you.

## 7. SOLICITATION OF GIFTS

Throughout the year, the SRT Board, Staff, Volunteers, Event Participants, and Contractors may solicit gifts from individuals, corporate entities, foundations, government agencies, and other potential funders and donors.

## 8. GIFT ACCEPTANCE REVIEW PROCESS

The Executive Director (ED) may make determinations as to acceptance of routine gifts, as well as certain members of the Investments & Partnerships Office, including, but not limited to, the Chief Investments & Partnerships Officer (CIPO), in consultation with the Finance Department, where appropriate.

All non-routine gifts and any gifts designated in this Policy for review by the Gift Acceptance Committee (described below) should be directed to the Gift Acceptance Committee through the CIPO, which will render the final decision as to whether a particular gift should be accepted. Non-routine gifts include gifts that are not regularly encountered in the ordinary course. They include gifts that may not align with the mission of SRT, unique or unusual gifts, and gifts accompanied by a potential administrative, financial, or other burden on SRT.

## 9. GIFT ACCEPTANCE COMMITTEE

The Gift Acceptance Committee possesses the authority to accept or reject gifts offered to SRT.

The Gift Acceptance Committee shall consist of SRT's:

- (i) Executive Director
- (ii) Chief Investments & Partnerships Officer
- (iii) Finance Director
- (iv) If appropriate, Legal Counsel
- (iiv) If appropriate, as determined by the standing committee, one SRT staff member from the department the gift will go towards, provided that the gift in question has an impact on the department's work or requires the department to take some action, that department shall participate in the Gift Acceptance Committee's decision on the gift.

The standing members of the Gift Acceptance Committee shall be limited to SRT's Executive Director, Chief Investments & Partnerships Officer, and Finance Director.

The Board Chair of SRT or their designee may participate in the Gift Acceptance Committee as a voting member at any time (i) at his/her sole discretion or (ii) when deemed appropriate by at least one standing member of the Gift Acceptance Committee.

Furthermore, if determined on an ad hoc basis by at least two standing members of the Gift Acceptance Committee (i) additional individuals may participate in the Gift Acceptance Committee (including attending meetings or participating in discussions) and (ii) such additional participating individuals may be given voting rights, where appropriate.

Examples of additional participating individuals include, but shall not be limited to, outside legal counsel, brokers, financial advisors, and Board members.

In rendering final decisions as to whether particular gifts should be accepted by SRT, the Gift Acceptance Committee is charged with making determinations, including whether gifts are in line with SRT's mission and whether gifts are cost-prohibitive or burdensome for SRT to process.

The Gift Acceptance Committee shall have the ability to authorize payment of gift administration fees, such as professional fees, where appropriate.

The Gift Acceptance Committee, in coordination with the Executive Director, may consult with SRT's Executive Committee or Board of Directors regarding the acceptance of gifts and may request approval of its recommendations from SRT's Executive Committee or Board of Directors where it deems gifts to be unique or carry significant risk.

## 10. Unrestricted Gifts

As a charitable organization, SRT seeks gifts to support our mission in general. Unless otherwise expressly noted by the donor in an agreement, note, or request, donations made to our organization fall into the category of "unrestricted gift".

Unrestricted support helps ensure that we will be able to respond to the needs of our community as those needs change over time in ways we cannot now foresee.

SRT records when a donor of an unrestricted gift shares a preference for a project or program, and we endeavor to use funds for the preference indicated. To qualify as a tax-deductible gift, all unrestricted donated funds remain under the control of the SRT board and, as such, may be used for another related organizational purpose.

## 11. Restricted Gifts & Grants

SRT welcomes restricted grants and gifts that support specific priorities in the Strategic Plan and/or our annual operating plan and Budget, which are approved by the Board.

A restricted gift or grant must include an agreement signed by both the donor and the Chief Investments & Partnerships Officer or Executive Director that clearly states the intended purpose of the donation and the restrictions the donor has placed on the donation. All gifts (and, in some cases, grants) should include a Variance Clause indicating circumstances when the funds could become unrestricted in the future. If an agreement is not executed stating a restricted purpose, SRT will assume the donation is unrestricted and will record the preference of a program if noted, as mentioned above.

Occasionally, SRT is presented with an opportunity to undertake a new initiative or to expand a project mid-year. Typically, the opportunity arises when a foundation or individual donor recognizes that we are uniquely positioned to address a major need or opportunity and offers to support our efforts to meet this challenge. Before accepting a restricted gift or grant to launch a new initiative or to expand a project mid-year, SRT may need to secure Board approval of the underlying change to our Operating Plan.

SRT will not accept gifts that (a) would result in SRT violating its corporate charter, (b) would or may result in SRT losing its status as an IRC § 501(c)(3) not-for-profit tax exempt organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for SRT or (e) are for purposes outside SRT's mission. Decisions on the restrictive nature of a gift and its acceptance or refusal shall be made by the Gift Acceptance Committee.

## 12. OVERLY RESTRICTIVE GIFTS

SRT will not accept gifts deemed by its Gift Acceptance Committee to be overly restrictive. Overly restrictive gifts include but are not limited to gifts that are inconsistent with SRT's mission, gifts that place undue burdens on SRT, as well as gifts that violate the terms of any of SRT's formation or governance documents.

## 13. DONATIONS/GIFTS/CONTRIBUTIONS VS. GRANTS VS. CONTRACTS

Often, the words Donation, Gift, Grant, Contract, and Contribution are used interchangeably in the philanthropic landscape. SRT uses the definitions provided by The Council for Advancement and Support of Education to determine if the revenue received is a gift, grant, or contract.

### 13.1. Donation/Gift/Contribution

A gift received by SRT for either unrestricted or restricted use in the furtherance of the mission for which the SRT has made no commitment of resources or services other than, possibly, committing to use the gift as the donor specifies.

### 13.2. Philanthropic Private Grant or Public Grant

An award that is non-contractual in nature but for which one or more of the following characteristics might apply:

- 10.2.1. Provision for audits by grantor.
- 10.2.2. A specified performance period is prescribed, or termination is at the grantor's discretion.
- 10.2.3. Grantor requires report of grant results or expenditures.
- 10.2.4. Testing or evaluation of proprietary products is involved.
- 10.2.5. Grantor states a precise scope of work rather than general area of programmatic support.
- 10.2.6. Unexpended funds must be returned to the grantor.
- 10.2.7. Grantor requests patent rights or right to review publications prior to submission.

The determination of when private support constitutes a philanthropic private grant must be made by looking at the award in its entirety rather than through a defined set of criteria.

### 13.3. Contract

An agreement between the institution and another entity to provide an economic benefit for compensation. The agreement is binding and creates a quid pro quo relationship between the institution and the entity. Exclude contracts from your institution's fundraising totals.

Note: This contract definition is not intended to address gift annuity contracts or similar charitable instruments.

## 14. TYPES OF DONATIONS

The Gift Acceptance Committee reserves the right to consider any and all gifts to SRT.

### 14.1. CASH

- 14.1.1. Gifts to SRT may be made via currency, check, credit card, or other cash equivalents.
- 14.1.2. Gifts of cash (i.e., currency) in excess of \$10,000 must be referred to the Gift Acceptance Committee for a final determination regarding acceptance of the gifts.
- 14.1.3. Checks shall be made payable to Sequoia Riverlands Trust. Checks shall not be made payable to individuals who represent SRT.

### 14.2. NON-CASH

The following donation types are not cash when the donation is made but can be liquidated, invested, or otherwise to create income for the organization.

#### 14.2.1. PUBLICLY TRADED SECURITIES

Publicly traded and marketable securities, including those traded on any recognized stock exchange, can be accepted by SRT. Such marketable securities may be transferred to an account maintained at a brokerage firm or physically delivered with the signature of the transferor or stock power attached.

Marketable securities that are not Restricted Stock (as defined in the following paragraph) must be sold upon receipt by SRT or its authorized broker.

Gifts to SRT of publicly traded securities that are restricted by applicable securities laws, which typically bear a legend on the certificate ("Restricted Stock"), shall be referred to the Gift Acceptance Committee to determine whether the gifts should be accepted. SRT will not accept gifts of Restricted Stock where the beneficiary is not SRT. These gifts include gifts that are processed by SRT but designated for receipt by another charity by the donor.

The Gift Acceptance Committee shall render a decision as to whether gifts of Restricted Stock where the beneficiary is SRT should be accepted. The Gift Acceptance Committee shall review with a higher degree of scrutiny any such gift of Restricted Stock of a fair market value that is less than \$5,000.

With respect to gifts of Restricted Stock in general, the donor shall be asked to pay for all of the expenses of lifting the restriction and any other expenses associated with the administration of the gift except when the Gift Acceptance Committee makes an exception. Exceptions may be made based on a variety of factors, including the value and desirability of the gift, ease of administration of the gift, the donor's connection with SRT, the donor's past giving record, and the donor's contributions to the organization.

#### 14.2.2. REMAINDER INTERESTS AND RETAINED LIFE INTERESTS IN PROPERTY

Remainder interests in property may be accepted by SRT subject to the approval of the Gift Acceptance Committee and subject to the provisions enumerated in the "Real Estate" section below.

#### 14.2.3. LIFE INSURANCE

Gifts of life insurance policies shall be subject to the approval of the Gift Acceptance Committee.

SRT shall encourage donors to name SRT as beneficiary or contingent beneficiary of any gifted life insurance policies.

Gifted life insurance policies must possess a minimum face value of \$5,000. SRT shall encourage gifts of paid-up life insurance policies. If the policy is not paid up, SRT shall request that the donor contribute all future premium payments to SRT. If the donor does not elect to continue making gifts to cover premium payments on the life insurance policy, SRT may: 1) continue to pay the premiums; 2) convert the policy to paid-up insurance; and/or 3) surrender the policy for its current cash value.

The Gift Acceptance Committee may consult with professional financial and legal advisors regarding the valuation of any gifts of life insurance policies. Gifts will be recorded at such time as they are irrevocable.

#### 14.2.4. RETIREMENT PLANS

Donors may name SRT as a beneficiary of their retirement plans. Gifts will be recorded at such time as they are irrevocable.

#### 14.2.5. CHARITABLE TRUSTS

SRT will accept designation as a remainder beneficiary of charitable remainder trusts, and will accept designation as an income beneficiary of charitable lead trusts.

#### 14.2.6. DONOR-ADVISED FUNDS AND SUPPORTING ORGANIZATIONS

The Gift Acceptance Committee may discuss with donors whether donor-advised funds and supporting organizations can be helpful in fulfilling the mission of SRT.

#### 14.2.7. TANGIBLE PERSONAL PROPERTY

Gifts of tangible personal property shall be subject to the approval of the Gift Acceptance Committee unless received in connection with an auction or raffle organized and conducted by SRT. Such gifts may be sold upon receipt by SRT.

The Gift Acceptance Committee may consider other factors in rendering a determination as to whether the gift should be accepted, including, but not limited to, another party's possession of any type of lien or interest in the property, the marketability of the property, any carrying costs for the property and the presence of any restrictions on the use, display or sale of the property.

The Gift Acceptance Committee shall have the discretion to seek an appraisal of the property from a qualified, independent appraiser. The donor shall be responsible for the costs of such an appraisal.

#### 14.2.8. REAL ESTATE

SRT may accept donations of real estate or interests in real estate for two purposes:



- 14.2.8.1. Conservation value. To hold the property or property interest for conservation in perpetuity.
- 14.2.8.2. As a donation. With the intention of resale or similar to create revenue for the organization, sometimes referred to as "trade lands".

The intention of the donation must be clearly stated and agreed to before SRT accepts a real estate donation.

SRT may accept a gift of many types of real property, including residential or commercial property and working farms, lands, or forests. Before accepting any real estate donation, the donor and SRT must come to a clear and written agreement as to whether the property will be kept for conservation purposes or sold to support the mission of SRT. Prior to acceptance of any gift of real estate, SRT shall require an initial review. Approval must be obtained from the Gift Acceptance Committee before donating real property.

Real Estate Donations intended for conservation purposes must include a plan for management and defense funding in perpetuity.

Property donated with the intention of being liquidated will be sold as soon as reasonably possible. The proceeds will be used to support SRT's mission and will be unrestricted funds unless otherwise specifically noted in the donation agreement. SRT will maintain the property while in the land trust's ownership in a manner that retains the land trust's public credibility, manages community expectations, and minimizes risk.

Criteria for acceptance of gifts of real estate include but are not limited to:

- Does the property have significant monetary or conservation value that could further the organization's mission?
- Have the conservation values of the property been evaluated by the Land Protection Department?
- Is there clear title?
- Is the property readily marketable?
- Are there monetary liens, covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property?
- What are the carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
- Does an environmental review of the property reflect that the property is contaminated or otherwise requires remediation?

#### 14.2.9. DEFERRED GIFTS

The Gift Acceptance Committee shall consider the acceptance of all deferred gifts. SRT will not accept deferred gifts where SRT is not the beneficiary, provided that the Gift Acceptance Committee may consider on a case-by-case basis acceptance of gifts where SRT is a contingent beneficiary or one of the beneficiaries of the gift.

The Gift Acceptance Committee is charged with considering the following factors as part of its review of the gift: the fair market value of the gift, the projected financial benefit to SRT, whether the gift is useful for SRT's purposes and mission, the presence of any restrictions, obligations or limitations associated with the gift, as well as any carrying costs, administrative costs and/or professional expenses associated with the gift.

Deferred gifts may include charitable remainder trusts, charitable lead trusts, bequests, charitable gift annuities, deferred gift annuities, pooled income funds and retained life estates.

SRT may accept a designation as the remainder beneficiary of a charitable remainder trust subject to the approval of the Gift Acceptance Committee. SRT shall not serve or accept an appointment as the trustee of such a charitable remainder trust.

SRT may accept a designation as the income beneficiary of a charitable lead trust subject to the approval of the Gift Acceptance Committee. SRT shall not serve or accept an appointment as the trustee of such a charitable lead trust.

Donors may make bequests to SRT through their wills and trusts. Bequests will be recorded at such time as they are irrevocable. Donors who indicate that they have made a bequest to SRT may be asked to disclose the relevant clause or documentation that evidences such a bequest.

SRT may utilize the \_\_TBD\_\_\_\_ Charitable Gift Annuity Program and/or the \_\_TBD\_\_\_\_

#### 14.2.10. ENDOWMENTS

It is SRT's preference that donations be made to the Board Designated Stewardship Fund, not to an Endowment.

The SRT Board of Directors must approve the creation of restricted endowments that carry perpetual requirements for their use. The Board will generally not approve restricted endowments with less than \$100,000 starting principal.

Board approval is not required for donations to the unrestricted endowment or unrestricted stewardship endowments.

## 15. PROTECTING SRT'S MISSION AND BRAND

A gift to SRT will not sway the organization from its mission and role in the community. A contribution to SRT in no way limits or puts unspoken expectations on actions the organization may take or policies that the organization may advocate in favor of. Acceptance of a gift will not hinder or influence SRT's decisions to comment on a particular legislative bill, ordinance, policy position, development, or issue.

SRT reserves the right to refuse any gift, and maintains absolute control over if, how, and when any donor can use our name or logo. Our name and logo may not be used in any publication without express written permission. Any publicity plan should, if possible, be determined before a donation is accepted.

If at any time the donor fails to conduct himself or herself without due regard to public morals and decency, or if the donor commits any act or becomes involved in any situation or occurrence tending to degrade the donor in the community, or which brings the donor into public contempt or scandal, or which materially and adversely affects the reputation or business of the charity, whether or not information in regard thereto becomes public, SRT shall have the right to remove donor's recognition rights as required pursuant to this gift acceptance policy and any other gift acceptance agreement entered into with SRT.

## 16. ETHICAL STANDARDS AND COMPLIANCE

SRT shall administer gifts properly, shall comply with all applicable laws, regulations, and Land Trust Alliance Standards and Practices, including those governing reporting and retention, and shall provide formal acknowledgments for gifts.

SRT shall not furnish property appraisals or gift valuations to donors for tax purposes. SRT Tax Receipt letters will acknowledge the value of a gift in the case of a cash, check, or other monetary donation or if required by applicable law.

For all other donations, including but not limited to land and conservation easements, in-kind donations, and donations of stock or other securities, SRT will provide acknowledgment letters stating the details of the item(s) or land donated as well as the date of closing and price (if any) SRT paid. A value for such a donation shall not be set by SRT and will not be listed on the acknowledgment letter. The donor is solely responsible for determining gift valuations for his or her own tax purposes as per IRS regulations.

SRT shall consult with independent advisors where it deems such action to be appropriate.

SRT shall strive to consider the interests of the donor and disclose to the donor all essential information, including any fees, prior to acceptance of the donor's gift. Donors may be advised to consult with legal or tax counsel or other appropriate advisors.

SRT intends to conform to all federal, state, and local laws and employ generally accepted accounting principles related to the solicitation and acceptance of charitable contributions.

SRT will comply with federal tax law regarding gift substantiation and disclosure regulations.

## 17. REVIEW OF POLICY

SRT's Gift Acceptance Committee and the Governance and Executive Committees of its Board of Directors have reviewed and accepted the foregoing Gift Acceptance Policy. The Gift Acceptance Committee shall conduct periodic reviews of this policy and shall approve any future changes. This Gift Acceptance Policy was approved by the Sequoia Riverlands Trust Investments & Partnerships Committee on June 3, 2024, and the Board of Directors on June 20<sup>th</sup>, 2024.

Appendix:

- Sample restricted donation agreement.