

CNGA Non-Standard Gift Acceptance Policy

Approved April 23, 2021 by the CNGA Board of Directors

This policy covers acceptable conditions under which the California Native Grasslands Association (CNGA) may receive non-cash or non-standard gifts.

The objective of this policy is to identify specific cases in which CNGA may receive non-cash gifts, the types of non-cash gifts that may be accepted, and the manner in which those determinations are made. This purpose of this policy is to protect the organization from assuming undue risks and liabilities and to ensure that it complies with all laws and Internal Revenue Service requirements governing charitable organizations.

Because non-cash gifts may have additional direct and/or non-direct costs associated with their handling, each potential gift must be carefully evaluated in order to ensure that the gift is truly beneficial to CNGA. The organization also desires to encourage donors to give by showing appreciation for the proposed gift, regardless of whether or not the proposed gift is ultimately accepted or rejected.

In general, no gift shall be accepted by a CNGA Board Member if it only benefits that member without a substantially larger benefit to the administration of CNGA's mission or programs.

The CNGA Board of Directors has the authority and responsibility to make determinations related to the acceptance of non-cash gifts on behalf of CNGA. All non-cash gifts shall be evaluated prior to their acceptance.

CNGA will accept unrestricted non-cash gifts for specific programs and purposes, provided that such gifts are consistent with the stated mission, purposes, and priorities of CNGA. Gifts considered to be too restrictive are those that violate the terms of the CNGA's Bylaws, are too difficult to administer, or are for purposes outside the mission of CNGA. Matters related to the restricted nature of a gift shall be handled by the Board of Directors.

Cash and certificates of deposit can be immediately accepted by CNGA. Non-cash gifts requiring approval by the Board of Directors include securities, bonds, real estate, tangible personal property, charitable remainder trust beneficiary designations, bequests, and retirement or life insurance plan beneficiary designations.

Criteria to be used to assess a non-cash gift shall include:

- Is the gift useful to CNGA?
- Is the gift marketable?
- Is there a readily determinable fair market value?
- Are there any restrictions, reservations, easements, or other limitations associated with the use, sale, or display of the gift?
- Are there costs (such as insurance, taxes, or mortgages) associated with the gift?
- Are there costs (such as transfer or legal fees) associated with transferring title of the gift to CNGA?
- Have the proper certifications or audits been conducted?

Non-cash gifts that will not be accepted include real property subject to liens or other encumbrances, life insurance policies, and business interests.

When appropriate, CNGA will seek the advice of legal or other professional counsel (such as a financial advisor) related to the acceptance of non-cash gifts.

CNGA strongly encourages prospective donors to seek the counsel of professional legal and/or financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

Where required, it is the responsibility of the donor to secure an independent appraisal and independent legal counsel for all non-cash gifts made to CNGA.

CNGA shall record the value of all non-cash donations in compliance with Generally Accepted Accounting Principles established by the American Institute of Certificate Public Accountants and Internal Revenue Service guidelines.