

GIFT ACCEPTANCE POLICIES AND GUIDELINES

Upstream Prevention, Inc. (hereinafter referred to as Upstream), a not for profit organization organized under the laws of the State of Indiana, encourages the solicitation and acceptance of gifts for purposes that will help Upstream to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to Upstream or for the benefit of any of its programs.

I. Purpose of Policies and Guidelines

The board of directors of Upstream and its staff solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of Upstream. These policies and guidelines govern the acceptance of gifts by Upstream and provide guidance to prospective donors and their advisors when making gifts to Upstream. The provisions of these policies shall apply to all gifts received by Upstream for any of its programs or services, including initiatives within Upstream's umbrella (such as Empower Johnson County, the Suicide Prevention Coalition of Johnson County, ATLAS, etc.).

II. Conflict of Interest

Upstream will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Upstream will comply with the *Model Standards of Practice for the Charitable Gift Planner* promulgated by the National Association of Charitable Gift Planners, shown as an appendix to this document.

III. Restrictions on Gifts

Upstream will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities.

Upstream will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that are too difficult to administer, or gifts that are for purposes outside the mission of Upstream. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee of Upstream, with guidance from the Executive Director and/or appropriate program staff.

IV. Review and Acceptance of Gifts

The Executive Committee is charged with the responsibility of reviewing all gifts made to Upstream, properly screening and accepting those gifts, and making recommendations to the board on gift acceptance issues when appropriate.

V. Use of Legal Counsel

Upstream shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- 1) Documents naming Upstream as Trustee;
- 2) Transactions with potential conflict of interest that may invoke IRS sanctions;

- 3) Other instances in which use of counsel is deemed appropriate by the Upstream Executive Committee.

VI. Types of Gifts

The following unrestricted gifts are considered generally acceptable:

- Cash. (see VII.1)
- Securities that are marketable on public exchanges. (see VII.2) **with adequate notice**
- Bequests of cash from estates. (see VII.3)
- Life Insurance Beneficiary Designations. (see VII.4)
- Remainder beneficiary designations of Charitable Remainder Trusts. (see VII.5)
- Income beneficiary designations of Charitable Lead Trusts. (see VII.6)
- Retirement Plan beneficiary designations. (see VII.7)
- Qualified Charitable Distributions from Individual Retirement Accounts. (see VII.8)
- Distributions from Charitable Gift Annuities

The types of gifts listed above, if restrictions are placed upon them, may not be accepted depending on the nature of the restriction(s).

The following types of gifts are considered generally unacceptable:

- Tangible Personal Property
- Closely held securities
- Real estate*
- Life Insurance “whole life” or “universal life” policies
- Remainder interests in property
- Oil, gas, and mineral interests
- Bargain sales
- Crypto currency
- Intellectual property
- Charitable Gift Annuities, excluding distributions from such annuities
- Pooled Income Funds
- Interests in time-share properties

**Under specific circumstances, this may be considered and approved by the Board of Directors.*

VII. Gift Criteria

The following criteria govern the acceptance of each gift form:

- 1) **Cash.** Cash is acceptable in any form. Checks shall be made payable to *Upstream Prevention, Inc.* and shall be delivered to Upstream’s administrative offices or made online through the appropriate donation forms on Upstream’s website.
- 2) **Securities.** Upstream can accept all publicly traded securities. Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor’s signature or stock power attached. Generally, all marketable securities shall be sold upon receipt unless otherwise directed by the

Finance Committee of the Board of Directors. Rarely, marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Finance Committee of Upstream.

- 3) **Bequests.** Donors and supporters of Upstream will be encouraged to make bequests to Upstream under their wills and trusts. Such bequests will not be recorded as gifts to Upstream until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
- 4) **Life Insurance Beneficiary Designations.** Donors and supporters of Upstream will be encouraged to name Upstream as beneficiary, co-beneficiary, secondary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to Upstream until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
- 5) **Remainder Beneficiary Interests from Charitable Remainder Trusts.** Upstream may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the Finance Committee of Upstream. Upstream will not accept appointment as trustee of a charitable remainder trust.
- 6) **Income Beneficiary Designations from Charitable Lead Trusts.** Upstream may accept a designation as income beneficiary of a charitable lead trust. Upstream will not accept an appointment as Trustee of a charitable lead trust.
- 7) **Retirement Plan Beneficiary Designations.** Donors and supporters of Upstream will be encouraged to name Upstream as beneficiary of their retirement plans. Such designations will not be recorded as gifts to Upstream until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
- 8) **Qualified Charitable Distributions from Individual Retirement Accounts.** Individuals with IRAs who are required to take minimum distribution annually may instead elect to have the amount not less than the minimum required distribution and not greater than \$100,000 to charitable organizations. Such transfers must not be received by the owner of the IRA first, but must be transferred directly from the IRA administrator to the charitable organization(s). The owner of the IRA will receive an acknowledgement from Upstream, but may not use the transfer as a charitable contribution; the owner of the IRA instead pays no income tax on the transferred amount.

VIII. Miscellaneous Provisions

- 1) **Securing appraisals and legal fees for gifts to Upstream.** It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to Upstream.
- 2) **Valuation of gifts for development purposes.** Upstream will record a gift received by Upstream at its valuation for gift purposes on the date of gift.
- 3) **Responsibility for IRS Filings upon sale of gift items.** Upstream is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by Upstream when the charitable deduction value of the item is more than \$5,000. Upstream must file this form within 125 days of the date of sale or disposition of the asset. Acknowledgement of all gifts made to Upstream and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the Executive Director of Upstream. IRS Publication 561 *Determining the Value of Donated Property* and IRS Publication 526 *Charitable Contributions* should be reviewed in these instances.

IX. Changes to Gift Acceptance Policies

These policies and guidelines have been reviewed and accepted by the Board of Directors of Upstream. The Board of Directors of Upstream must approve any changes to, or deviations from, these policies.

Approved on the 27th day of June, 2023.

IX. Resources

- A. *Model Standards of Practice for the Charitable Gift Planner*
- B. *IRS Form 8282 and Instructions.*
- C. *IRS Publication 561 Determining the Value of Donated Property.*
- D. *IRS Publication 526 Charitable Contributions.*