

**NATIONAL PEACE CORPS ASSOCIATION (NPCA)
GIFT POLICIES**

*as approved by the NPCA Board of Directors on September 28, 2015;
updated March 3, 2018*

1. Purpose of Gift Policies

These policies are intended to inform potential donors to NPCA as to the types of gifts that NPCA accepts and does not accept.

2. What Kinds of Property NPCA Accepts as a Gift

- a) Cash and checks
 - i. NPCA accepts cash and checks of a minimum of \$1.00.
 - ii. Checks should be made out to: National Peace Corps Association.
- b) Publicly traded securities
 - i. NPCA accepts publicly traded securities in negotiable form.
 - ii. No representative of NPCA may commit to a donor that a particular security will be held by NPCA, sold through a specific broker or traded on the instruction of the donor.
 - iii. Securities that are less active or rarely traded or do not trade on the gift date may be accepted on a case by case basis.
- c) Closely held securities – Acceptance of closely held securities requires approval of the Finance Committee Chair.
- d) Tangible personal property including, but not limited to, art, antiques, collections, manuscripts, books, vehicles
 - i. Tangible personal property may be accepted by the CEO in consultation with the Board Chair or his/her designee.
 - ii. Tangible personal property will not be accepted with restriction that requires NPCA to own such property in perpetuity or for a specified period of time without the written approval of the Board Chair.
- e) Real estate
 - i. Real estate with an estimated value of \$1.00 or more may be considered for a gift.

- ii. Real estate will only be accepted by the CEO in consultation with the Board Chair and Treasurer.
- iii. Real estate will only be accepted with a current appraisal by a qualified appraiser as defined by applicable tax law. The donor will be responsible for, and bear the cost of, such appraisal.
- iv. Real estate will only be accepted if it includes all of the following, which will be undertaken at the donor's expense: title search and title insurance policy; marketability check; on-site evaluation by Finance Committee Chair or designee; environmental audit to determine if it is subject to environmental restrictions, sanctions, toxic wastes, or encumbered in any way that might cause economic harm to NPCA; conveyance by warranty deed or trustee deed. Real estate will only be accepted free and clear of any mortgage. Real estate subject to any other encumbrance may be accepted if such encumbrance is specifically approved in writing by the CEO in consultation with the Board Chair and Treasurer.
- v. Real estate will not be accepted with any restriction that requires NPCA to own such property in perpetuity or for a specified period of time or subject to rights of reversion or other conditions without the written approval of the Board of Directors.

3. What Forms of Gifts NPCA Accepts

- a) Unrestricted annual gifts are the most useful to NPCA and can be used towards ongoing operational expenses as determined by the Finance Committee.
- b) Restricted annual gifts may support current operations, but they are restricted to the purpose agreed upon by the donor and NPCA.
- c) Special Purpose gifts provide support for specific purposes over and above current operations, such as a symposium, that is consistent with the scope of Board of Directors approved programs.
- d) Matching gifts shall be accepted, with recognition given to the firm, organization or foundation that makes the gift. The donor whose gift is being matched should initiate the paperwork to ensure that the matching gift forms are signed and delivered to NPCA.
- e) Charitable Lead Trusts

- i. A Charitable Lead Trust provides immediate support for NPCA through income generated by assets in trust for a specified period of time, after which time the assets pass to a non-charitable beneficiary such as the donor, donor's children or other persons the donor specifies. This may be beneficial for donors who have a larger income than they currently need and who desire to transfer assets to heirs at a reduced cost.
 - ii. A Charitable Lead Trust should use a commercial trustee. Donors should be advised by a competent independent estate planner or financial advisor regarding the creation of this type of trust. NPCA is not a source of legal, tax, financial or other such advice.
 - iii. [The minimum investment for a Charitable Lead Trust is \$50,000.]
- f) Out of pocket expenses specifically approved in writing by the CEO in consultation with the Board Chair
 - i. An individual who hosts a function or otherwise incurs expenses to benefit NPCA may submit bills for payment together with a check made payable to National Peace Corps Association in the amount of the expense. The gift is then acknowledged as a gift to NPCA restricted to the activity in question; or
 - ii. An individual who hosts a function or otherwise incurs expenses to benefit NPCA may submit receipts, and NPCA will send an acknowledgment to serve as the donor's documentation together with the receipts.
- g) Planned or deferred gifts may involve the transfer of substantial assets, thereby impacting the donor's estate and financial plans and requiring the donor to consult with his/her advisors. Planned and deferred gifts often do not confer ownership to NPCA immediately and are not generally taken out of current earnings. NPCA accepts these gifts:
 - i. Bequests. Gifts by will are completed at the death of the donor or a surviving beneficiary. They may provide a specific dollar amount, specific property or a share of the residue of the estate. They may be unrestricted or restricted (see 3a and 3b above). Donors are encouraged to make unrestricted bequests or to limit the restrictions, if any, to ensure that the gift will be flexible enough to be consistent with the future needs of NPCA.

Especially when considering any kind of limitation, donors are encouraged to communicate their plan to make a bequest with the Chair or President of NPCA to ensure their intent is mutually acceptable.

Gifts may be made through the execution of a new will or an addition (codicil) to existing will. It is NPCA's policy to allocate bequests and estate gifts to its endowment.

- ii. IRAs and Retirement Plan Beneficiary Designation. NPCA encourages and accepts gifts that name NPCA as the beneficiary of the donor's retirement plan. Donors may complete a Beneficiary Designation Form provided by the plan administrator and indicate the percentage of principal that is to go to NPCA upon the donor's death. Donors are encouraged to notify NPCA so their gift may be recorded and acknowledged.
- iii. Life Insurance. NPCA accepts fully-paid life insurance policies in which the donor has transferred ownership of the policy to NPCA. Upon receiving the paid up policy, NPCA, as owner, may surrender and obtain the cash value or keep the policy until the donor's death. The charitable deduction to the donor is in accordance with IRS regulations, currently the fair market value of a paid-up insurance policy. The Finance Committee will decide whether to retain or surrender the policy.

With regard to a non-matured policy owned by a donor, a trust or any other individual, NPCA may be named a beneficiary.

- h) Unrestricted endowment gifts are vital to NPCA's future because upon receipt they become part of the unrestricted endowment and create a permanent, self-perpetuating income source for NPCA's ongoing needs. Endowment gifts that are restricted require approval of the Board of Directors.
- i) NPCA does not currently have policies regarding Charitable Remainder Trusts, Pooled Income Funds, and Charitable Gift Annuities.
[Acceptance of such gifts may be considered on a case-by-case basis.]

4. Tax Matters

- a) Acknowledgement. NPCA promptly will provide each donor with an email acknowledging receipt of a gift and a letter acknowledging the receipt of a gift of \$250 or more.
- b) Valuation. Valuation of a gift for tax purposes is the responsibility of the donor. NPCA is not a source of legal, tax, financial or other such advice.

- c) Tax Reporting. Where applicable, NPCA will complete the appropriate portion of an IRS Form 8283, relating to the reporting of certain noncash charitable contributions by a donor.