CURE SMA POLICIES AND PROCEDURES

Cure SMA Reference:	**COMP-POL-1015-ALL**
Title:	**Gift Acceptance Policy**
Chapter/Team:	**Finance; Development; Compliance**
Current Effective Date:	**9/12/2025**
Original Effective Date:	**4/6/2019**

Applicable to:

All Workforce members, departments, contractors, and business partners of Cure SMA must adhere to this policy.

Purpose

Cure SMA solicits current and deferred gifts from individuals, corporations, foundations and other private entities to secure the financial growth and fulfill the mission of Cure SMA. The purpose of this Gift Acceptance Policy is to define the practices and policies governing the acceptance of gifts by Cure SMA, and to provide guidance to prospective donors and their advisors when making gifts to Cure SMA so as to facilitate the gift-giving process.

Policy

Cure SMA will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are consistent with its stated mission and do not violate the terms of its bylaws or this policy. Cure SMA reserves the right to refuse any proposed gift. Cure SMA runs on a fiscal year starting July 1 and ending June 30.

Gift and Pledge Confirmation

To be counted, all gifts must be received by Cure SMA outright or pledged in writing and signed by the donor or the donor’s qualified representative. Written confirmation should include a statement that the gift is unrestricted or that allocates the gift to projects clearly consistent with the mission of Cure SMA. Acceptable forms of written confirmation include, but are not limited to, a signed letter of intent or pledge card; letter authored by the donor; written agreement; trust document, or other legally binding documentation associated with acceptable planned giving instruments; or other legal notification. For pledges, a schedule of pledge payments will be required to assist Cure SMA in financial planning. Verbal pledges must be confirmed in writing before being counted in the fundraising totals.

Gift Acceptance Requirements

Mission-related benefit: The gift provides a meaningful mission-related benefit to the general public or particular constituencies of Cure SMA.

Independence and Control: Cure SMA exercises independent judgement in all its decision making related to any gifts and retains complete control of and right of approval over all content related to the event or program activity.

Consistency: The gift is consistent with Cure SMA’s principles, public positions, policies, and standards.

Balance: Cure SMA evaluates on annual basis the total amount of revenue from each major source of public support (i.e. corporations, individuals, foundations) as a percentage of total revenue.

I. Types of Acceptable Gifts

- Cash
- Tangible personal property
- Securities and stocks
- Cryptocurrency
- Real Estate
- In-kind gifts

- Life insurance policies
- Charitable gift annuities
- Charitable remainder trust
- Charitable lead trusts
- Retirement plan beneficiary designations
- Bequests
- Life insurance beneficiary designations

II. Types of Acceptable Donors

- Individuals
- Partnerships
- Corporations
- Foundations
- Government agencies
- Other entities

III. Criteria for refusal

- Gifts that violate any federal, state or local statute or ordinance
- Gifts that contain unreasonable conditions (e.g., lien or other encumbrance) or gifts of partial interest and property
- Gifts that are financially unsound
- Gifts that could expose the organization to liability
- Gifts of live animals for auction (e.g., livestock, puppies)

<u>Define Type of Gifts</u>

A. Cash and cash equivalent

Gifts in the form of cash, checks, or credit/debit cards shall be accepted regardless of amount unless there is a question as to whether donors have sufficient title to gifted funds or are mentally competent to legally transfer funds to Cure SMA as gifts. All checks should be made payable to Cure SMA; in no event should a check be made payable to an individual. Cash and checks will be reported and recognized at the full amount of the gift as of the date received. Credit cards will be reported and recognized at the full amount of the gift when the credit card transaction is processed.

B. Pledges

Pledges are commitments to make future gifts. Only the entity exercising legal control over the assets to be given can make a pledge. An enforceable, countable pledge includes only those funds that will be given by that legal entity.

- **<u>Written Pledges</u>** Pledged gifts must be documented in writing and should commit to a specific dollar amount that will be paid by a certain date. The pledge payment period, ideally, should not exceed three to five years.
- **<u>Verbal Pledges</u>** Verbal pledges may be received through a staff member as part of the fundraising efforts. Cure SMA will mail a confirmation notice to the donor immediately following the solicitation period and will count the gift only once payment or written confirmation is received.

C. Publicly Traded Securities

Readily marketable securities may be accepted and will be sold promptly.

- The donor will be credited at the average of the high and low selling prices on the date that Cure SMA receives the assets from the donor.
- Neither losses nor gains realized by Cure SMA's sale of the securities after their receipt, nor brokerage fees or other expenses associated with this transaction, should affect the value credited to the donor.

D. Illiquid Securities

Gifts of illiquid securities include hedge funds, private equity interests, and closely held securities. Typically, it is not possible to sell such securities immediately upon there having been gifted. The President and Chief Operating Officer will carefully review such gifts before they are accepted. Key considerations include the likelihood that the securities can be sold; whether the nature of the businesses and/or practices of the gifting corporations or funds is consistent with Cure SMA's mission; and whether Cure SMA could incur any unrelated business income tax.

- If accepted, gifts of closely held stock that exceed $10,000 in value should be counted at the fair market value placed on them by a qualified independent appraiser as required by the Internal Revenue Service.

- If accepted, gifts of closely held stock of $10,000 or less may be valued at the per-share cash purchase price of the most recent transaction (normally, this transaction is the redemption of the stock by the gifting corporation). If no redemption has occurred during the reporting period, an independent certified public accountant who maintains the books for that corporation is qualified to value its stock.

E. Cryptocurrency

A cryptocurrency is an encrypted data string that denotes a unit of currency. It is monitored and organized by a peer-to-peer network called a blockchain, which also serves as a secure ledger of transactions, e.g., buying, selling, and transferring.

F. Real Estate

The President and Chief Operating Officer may accept gifts of real estate if the properties are unencumbered, owned in fee simple, and the sales of which will yield proceeds sufficient to justify the necessary efforts. Due diligence concerning environmental issues shall be considered before accepting any gift of real estate. This may involve conducting an environmental audit.

Prior to accepting any gift of real estate, Cure SMA will obtain an appraisal from a qualified appraiser. It is preferable that the donor secure the appraisal (who may be able to receive a charitable deduction for doing so). However, the appraiser should have no business or other standing relationship with the donor.

Gifts of real estate will be credited and recognized at their fair market value at the time they are gifted.

- Unless stated otherwise by the President and Chief Operating Officer, gifts of real estate will be accepted with the intent that they will be sold as soon as possible.

G. Gift In-Kind

Gifts in-kind are generally defined as non-cash donations of materials or long-lived assets, other than real and personal property. Gifts-in-kind will be considered for acceptance and recognition if such gifts are eligible for charitable tax deductions under Internal Revenue Service standards.

- In general, the monetary value of gifts-in-kind will only be credited toward the appropriate fundraising total if the President and Chief Operating Officer determine that such gifts can be converted to cash within a 90-day period or used by Cure SMA in such a way that they liberate additional funds that are applied to the needs outlined in the current budget or strategic plan.

- Deep discounts or bargain sales may not be credited to Cure SMA. A donor who wishes to donate via deep discounts or bargain sales should be encouraged to bill Cure SMA at normal retail price (including any discounts typically provided to Cure SMA) and then make a gift to Cure SMA.

- The value of gifts of time in the form of donated professional services will not be credited to Cure SMA. A donor who wishes to donate professional services should be encouraged to bill Cure SMA for services rendered and then make a gift in the amount in which they are paid by Cure SMA.

- Cure SMA reserves the right to determine all conditions involved in a gift acceptance of a gift-in-kind, including display, storage, and the timing of selling or other means of disposition of any donation. The display of any donation, including art, is at the sole discretion of Cure SMA.

For more information, please see the In-kind Donation policy.

H. Crediting and Accepting Deferred or Planned Gifts

Acceptance and crediting policies regarding some of the most common irrevocable deferred giving instruments are outlined below.

i. **Irrevocable Bequests**

Gifts in the form of irrevocable bequests and bequest intentions will be accepted and credited subject to the guidelines set forth immediately below.

- Crediting and Guidelines Gifts in the forms of irrevocable bequest intentions from donors who are at least 70 years of age and provide supporting documentation will be credited at the value of their bequest provisions.
- Undesignated bequests received by Cure SMA may be designated at the discretion of the President and Chief Operating Officer.

ii. **Revocable Bequests**

As a general rule, revocable bequests will not be credited toward the giving totals.

iii. **Charitable Remainder Trust, Gift Annuities and Pooled-income Funds**

Documented prior agreements to establish charitable remainder trusts (including charitable remainder trusts administered outside Cure SMA) where the remainder is not subject to change or revocation, gift annuities, and contributions to pooled income funds should be credited to the giving totals, subject to the discretion of the President and Chief Operating Officer.

iv. **Charitable Lead Trusts**

Cure SMA will credit and recognize gifts of income producing assets that are placed in trust for the benefit of Cure SMA for a fixed period of time.

- Crediting and Guidelines - The sum of all annual payments made by donors establishing lead trusts will be credited to the giving totals.

v. **Retirement Plans**

Because of their revocable nature, gifts in the form of retirement plans will not be credited toward giving totals.

vi. **Life Insurance**

With qualifications set forth herein, gifts of life insurance may be accepted by Cure SMA. Such a gift may be affected by (1) transferring all indicia of ownership over the policy to Cure SMA and (2) by naming Cure SMA as the irrevocable beneficiary of the policy.

I. Steward and Recognition

Effective donor stewardship will be associated with various gift levels and will reflect alignment with Cure SMA's mission, opportunity's visibility, and value of the gift.

- **Stewardship** — Cure SMA will ensure, to the maximum extent possible, proper stewardship of gifts and will obtain explicit consent by a donor before altering conditions of a gift.

- **Gift Acknowledgments** — Cure SMA's leadership will acknowledge gifts in accordance with accounting and tax reporting standards, and within any donor recognition plans that may be in effect from time to time.

- **Matching Gifts** — Individuals who make gifts that are matched by their employers shall be recognized in accordance with the total of their personal gifts and the matching gifts made by their employers.

J. Declining and Returning Gifts

The President and Chief Operating Officer, in consultation with the Vice President of Development, may decline or return gifts under conditions including, but not limited to, the following:

- Gifts that are restricted and would require support from other resources that are unavailable, inadequate, or may be needed for other institutional purposes.
- Gifts that are restricted and would support purposes or programs peripheral to existing principal purposes of Cure SMA or create or perpetuate programs or obligations which would dissipate resources or deflect energies from other programs or purposes.
- Gifts that could injure the reputation or standing of Cure SMA or cause it to enter into activities in conflict with its mission.
- Gifts that could put at risk Cure SMA's tax-exempt status or trigger negative tax situations, such as unrelated business income tax.
- Gifts may be declined or returned to donors under certain conditions including, but not limited to, the following:
- Cases in which gifts were accepted but, upon further review by the President and Chief Operating Officer, are subject to concern.
- Cases in which Cure SMA is unable (or a donor perceives that Cure SMA is unable) to fulfill the donor's philanthropic intentions.

K. Use of Legal Counsel

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

- Closely held stock transfers that are subject to restrictions or buy-sell agreements
- Transactions with potential conflict of interest that may invoke IRS sanctions
- Other instances in which use of counsel is deemed appropriate by the President and Chief Operating Officer.

L. President and Chief Operating Officer Responsibilities

Review gifts offered to Cure SMA that are covered in this policy.

- Evaluate proposed gifts in accordance with this policy.
- Seek legal counsel as necessary.
- Engage the Finance and Operations Committee as needed.
- Report regularly to the Board of Directors, summarizing activities and highlighting any unusual or potentially controversial gifts accepted or refused.
- Make recommendations on revisions to the gift acceptance policy annually.

M. Definitions

This section defines key terms used throughout this policy to ensure clarity and consistent interpretation.

i. Benefit to Donor (BTD)

The goods or services a donor receives as part of a quid pro quo contribution to our organization. For example, if a donor gives Cure SMA $100 and received a dinner valued at $40, the donor has made a quid pro quo contribution. In this example, the benefit to the donor amount would be the fair market value of the goods and services received (the dinner) at $40, and the charitable contribution (tax deductible amount) part of the payment is $60.

ii. **Fair Market Value (FMV)**
A good faith estimates of the fair market value of the goods or services that the donor received in exchange for their quid pro quo donation. Cure SMA will furnish this amount, along with all other federal tax income information, with the receipt of the quid pro quo contribution. A donation that involves goods and services given to a donor that has insubstantial value as described in the IRS Revenue Procedures 90-12 and 92-49 is not a quid pro quo contribution. Also, if there is no donative element involved in the particular transaction (such as a merchandise purchase) than it is not a quid pro quo contribution.

iii. **Tax Deductible Amount (TDA)**
The amount of the quid pro quo contribution that is deductible for federal income tax purposes is limited to the excess of any money (and the value of any property other than money) contributed the donor over the fair market value of goods or services provided by the charity.

Policy Modifications
The President and Chief Officer of Operating must approve any exceptions to policy provisions. The President, Chief Operating Officer and Compliance Officer will annually review the policy and seek approval from the Audit and Compliance Committee of the Board.

Revision/Review History

Version	Date Approved	Description of Changes
1.0	4/6/2019	New Policy.
1.1	9/1/2021	Reviewed; minimal or no changes made.
2.0	10/15/2022	Added cryptocurrency as an acceptable form of charitable contribution.
2.1	2/16/2023	Reviewed; minimal or no changes made.
3.0	3/26/2024	Reviewed; minimal or no changes made.
4.0	9/5/2025	Updated to reflect current process and reformatted to match new approved template.

Note: For versions not requiring formal approval, the date reflects when the revision or review was completed. When applicable, the date may also reflect when the narrative or process was originally created. This should be noted in the Description of Changes section for clarity.

For questions or clarification on any of the information contained in this Policy, please contact the Policy owner or designated contact point: Marline Pagan, Chief Operating Officer.