

	<h2>Gifts Policies and Procedures</h2>	
Policy Number: BOD-2018-004	Policy Section: Standard Operating Procedures	CARF Section Reference: 1.I.5.b.(4)(5)
Effective Date: 10/22/2016	Revised: 3/01/2019	Pages: #02
Person Responsible: CEO	Monitoring Activity: Board of Directors	Frequency: As Required

The Board of Directors of the New Mexico Veterans Integration Centers Inc. (“NMVIC”) declares the following Gifts Policy and Procedures for the purpose of establishing a sound, prudent, and consistent policy and procedures for the receipt of donations. The Gifts Policy and Procedures were duly adopted by resolution of the Board of Directors at a meeting held on October 22, 2015.

DEFINITIONS

For the purposes of this policy, the following definitions will apply:

1. **Gift.** A gift is a donation to the NMVIC of money or other item of value.
2. **Gift in Kind.** Any gift that is not cash or a cash equivalent or not a security that can be liquidated on a national exchange or through an electronic market within thirty (30) days. Examples of Gifts in Kind include art objects, automobiles, office equipment, and real estate.
3. **NMVIC Board.** The Board of Directors of the NMVIC.
4. **CEO.** The Chief Executive Officer of the NMVIC.

ACCEPTANCE OF GIFTS

1. **Receipt and Record of Gifts.** The NMVIC shall record and acknowledge receipt of all gifts to the NMVIC. Each gift of \$1,000 or more shall be reported to the Board at the next meeting following receipt of the gift. The CEO shall cause a complete and accurate record of every donation and donor to be maintained. The CEO shall ensure that the NMVIC provides written acknowledgment of each gift received by the NMVIC, unless otherwise requested by the donor.
 - a. Gifts may be received in the form of cash or cash equivalents and Gifts in Kind. Pledges of future gifts may be acknowledged but for the purposes of this Policy shall not be considered gifts until actually fulfilled. Testamentary bequests to the NMVIC, and naming the NMVIC as beneficiary under a trust instrument, shall be treated as pledges until proceeds are distributed to the NMVIC.
 - b. Except for any restricted gifts approved by the Board as noted below, all Gifts shall be deemed to be unrestricted and available for expenditure by the NMVIC for any purpose.
 - c. Gifts to honor, memorialize, or otherwise recognize individuals, whether while the donor is living or by bequest, shall be subject to the approval of the Board in advance of receipt. Whenever such a gift in recognition is accepted, the NMVIC shall take appropriate steps to ensure the proper recognition is publicly acknowledged.

- d. No gift for a restricted purpose shall be accepted unless approved in advance by the NMVIC Board. Any such gifts will be accepted only on the condition that should the purpose for which the funds are provided cease to exist the NMVIC Board shall allocate the funds and the income from those funds to purposes as near as possible to the original intent of the donor.
- e. Unless the NMVIC Board determines that acceptance of any gift would not be in the best interest of the NMVIC (i.e., the source is deemed to be disreputable, the conditions imposed are onerous, the restrictions are not in keeping with the objectives of the NMVIC, or otherwise are not acceptable to the Board in its discretion, etc.), the NMVIC shall accept all gifts of money or cash equivalents. If a restricted gift is of significant size (\$100,000 or more), the NMVIC Board, in its discretion, may elect to establish a separate fund for the investment and management of the gift.
- f. Regarding any gift of Securities, the securities are to be sold promptly. The proceeds are then to be treated as a gift of money. If the gift is a fully paid life insurance policy, the gift shall be held by the NMVIC until the life insurance proceeds are collected, at which time the proceeds shall be treated as a gift of money.
- g. Except as noted immediately below, a Gift in Kind, when liquidated, shall be treated as a gift of money.
- h. The NMVIC will advise all donors that the NMVIC and its Directors are not authorized to give legal, accounting, or tax advice on behalf of or in connection with the NMVIC and that the donor should seek the counsel of his or her own advisors with respect to contemplated gifts and potential tax consequences thereof.

2. Gifts in Kind and Restricted Gifts. All Gifts in Kind and restricted gifts shall be subject to the following:

- a. Gifts in Kind. The CEO of the NMVIC shall develop procedures and training to ensure that Gifts in Kind are reviewed with special care to ensure that acceptance will not involve financial commitments or other obligations disproportionate to the usefulness of the gift or otherwise create a risk to or burden upon the NMVIC. Consideration shall be given to the cost of acceptance and maintenance of the gift. When Gifts in Kind are given to the NMVIC, the NMVIC will provide a written receipt noting acceptance of the gift but will not provide any statement of value, it being the responsibility of the donor to obtain an appraisal of the gift or other valuation for tax purposes. The NMVIC shall not become involved in any appraisal process. Notwithstanding anything foregoing to the contrary, if a Gift in Kind is sold by the NMVIC, upon request of the donor, the NMVIC shall provide a written statement of the actual sales price to the donor.
- b. Gifts in Kind of Real Estate. All Gifts in Kind of real estate shall be reviewed and approved by the Board of the NMVIC prior to acceptance. Should the NMVIC be offered a gift of real estate, and should the Board of Directors approve the gift, the NMVIC shall specify that the gift be received by NMVIC Donations LLC, a wholly owned, single member, limited liability company established by the NMVIC for this purpose. NMVIC Donations LLC shall be fully responsible for the receipt, management, and disposition of all real estate gifts.
- c. Restricted Gifts. All restricted gifts shall be reviewed and approved by the Board of the NMVIC prior to acceptance. Acceptance of a restricted gift imposes a legal obligation with terms established by the donor. Therefore, it is necessary that the nature and extent of this obligation be clearly understood. For this reason, the terms of each restricted gift shall be reviewed by the Board with the utmost care to ensure the restrictions do not hamper the usefulness and desirability of the gift. If the Board determines, in its discretion, that a gift is deemed unacceptable because of the

restrictions the donor has placed on its use, the donor will be counseled regarding the Board's objections and given the opportunity to remove or modify the restrictions. Gifts will be refused or returned when, as determined by the Board in its discretion, the purpose.

- 1) is inappropriate or not conducive to the best interests of the NMVIC;
- 2) is clearly a commercial endeavor; or
- 3) would obligate the NMVIC to undertake responsibilities, financial or otherwise, which it may not be capable of meeting for the period required by the terms of the gift. Any restricted gifts or endowments with limitations on use or purpose of the endowment must include language to permit the NMVIC to assign different, alternative, or modified but related use of such funds as conditions dictate in the future. Such action may be authorized by the donor by including a clause in the transfer of assets while living or by bequest to this effect:

“If, in the opinion of the NMVIC Board of Directors, all or part of the gift or earnings of the gift cannot usefully be applied to the purpose designated (or in the manner requested), the NMVIC may use the same for any purpose within its corporate powers to decide or for any other purpose which, in its opinion, will most nearly accomplish my purposes, wishes, and intent, as determined in good faith by the NMVIC Board of Directors.”

d. Unacceptable Gifts. Proposed gifts which contain any of the following restrictions shall be unacceptable by the NMVIC:

- 1) Restrictions based on criteria which are contrary to law
- 2) Restrictions favoring specific individuals, or classes of individuals, such as relatives or descendants, as beneficiaries
- 3) Restrictions reserving the designation of beneficiaries of the gift to the donor or his or her assigns
- 4) Restrictions upon the future employment of the recipient of any gift
- 5) Restriction on interest rates and conditions for repayment of loans

Recognition of Gifts. All gifts shall be acknowledged by the NMVIC by letter and may be publicized by the NMVIC, except where donor anonymity has been requested.

Proceeds from Fund Raising. Proceeds from any fund raising event shall be considered as gifts of money to the extent that the amount paid exceeds the fair value of the benefit received (*Ex., a donor pays \$150 for an event ticket and the fair value of the benefit received is \$50, therefore the excess \$100 is a gift of money*).

Original approved by Board of Directors on February 28, 2019.



BOD Secretary Signature: _____

Charles Price

Date March 1, 2019