

Overview

Albemarle Housing Improvement Program (AHIP) is a Virginia non-profit organization that has been recognized as tax-exempt under section 501(c)(3) of the Internal Revenue Service Code. AHIP solicits and accepts gifts that are consistent with its mission and that support its core programs as well as special projects. Each donation to AHIP is tax-deductible as and to the extent allowed under applicable law, and represents a contribution to its entire mission.

The mission of AHIP is to ensure safe, affordable homes for our neighbors in need. AHIP helps families in need make critical home repairs. Together with our supporters, volunteers, and partners, AHIP changes lives, saves livelihoods, and makes neighborhoods and our community a better place for everyone.

AHIP shall acknowledge all gifts through written letter or e-correspondence.

Purpose

The following policies and guidelines govern acceptance of gifts made to AHIP for the benefit of any of its operations, programs, and services as well as to provide guidance to donors and their professional advisors in completing gifts. To prevent misunderstandings and conflicts, these guidelines should be viewed as flexible in order to accommodate unpredictable fundraising situations and donor expectations. Special situations will be evaluated on a case-by-case basis.

Legal Counsel

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

- gifts of securities that are subject to restrictions or buy-sell agreements
- documents naming AHIP as a trustee or requiring AHIP to act in any fiduciary capacity
- gifts or bequests requiring, or with the potential of, AHIP to assume financial or other obligations
- transactions with potential conflicts of interest
- gifts of property which may be subject to environmental or other regulatory restrictions

Gift Planning

AHIP urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

Donor Privacy

AHIP respects the privacy of its donors. The types of information AHIP collects and maintains are:

- Contact information: name, address, telephone number and email address
- Giving information
- Information on events attended, publications received and special requests for program information

AHIP Gift Acceptance Policy

- Information provided by the donor in the form of comments and suggestions

We use this information to understand our donors' interests in AHIP's mission and to update them on our plans and activities. All information concerning donors will be shared only with staff, board members, and consultants, including legal counsel and accountants, on a need-to-know basis. It will be kept strictly confidential unless permission is granted by the donors, or in the case of an estate, the Personal Representative, except to the extent AHIP is required to release such information by law.

AHIP does not sell, rent, or lease its donors' information to other organizations.

AHIP offers opportunities for donors to be recognized publicly in association with their gift level; however, all donors are given the opportunity to remain anonymous and to decline public and/or private recognition.

Operations Assessment on Restricted Gifts

The organization reserves the right to administer an assessment on all gifts not otherwise unrestricted for operations. At present, the operations assessment on restricted gifts and grants is 20 percent, unless where explicitly prohibited by the donor. This portion of the gift shall be used to support the necessary infrastructure for accomplishing the work of housing repair and rehab.

General Gift Acceptance Conditions

AHIP will accept only gifts that are consistent with its mission and are:

- compatible with the mission of AHIP and its individual programs
- in compliance with the state and federal statutes, regulations, rulings, or court decisions that stipulate the conditions under which contributions can be tax favored
- compatible with the tax-exempt status of AHIP

AHIP will not accept gifts that:

- violate any federal, state, or local statute or ordinance
- may result in AHIP violating its corporate charter
- may result in AHIP losing its status as a 501(c)3 not for profit organization
- are too difficult or too expensive to administer in relations to their value
- may result in any unacceptable consequences for AHIP
- are for purposes outside AHIP's mission

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board.

In Kind

AHIP recognizes non-cash donations of goods and services. Non-cash donations are recorded at

AHIP Gift Acceptance Policy

fair-market value that is established by the donor and that is reasonable in value. AHIP recognizes and records these donations and any restrictions on the gift in a written letter to the donor.

Corporate Charitable Gift Programs

From time to time, AHIP will participate in charitable giving programs whereby companies donate a portion of proceeds and will do so with prudence, upon approval of the Executive Committee where deemed necessary and in accordance with this gift acceptance policy.

Corporate Matching Gifts

Donors are encouraged to ask their employers to match their personal contributions as a way to maximize the benefit to AHIP. The individual's gift *plus* the corporate matching gifts is credited to the individual's records. The individual's charitable tax deduction is limited to the individual's gift. The individual and the corporation are credited on recognition lists.

Marketable Securities

Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power attached.

All marketable securities will be sold promptly upon receipt unless otherwise directed by the Philanthropy Committee (or Finance Committee) of AHIP. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Executive Committee.

AHIP currently uses the services of BB&T Scott & Stringfellow Securities for executing stock gifts.

The value of a gift of securities is the mean (average) of the high and low of the stock(s) or bond(s) on the day the transfer is made by the donor to AHIP. The value of the securities will be the gift value credited to the donor.

Acceptance of Deferred Gifts

Bequests

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans

Donors are encouraged to make bequests to AHIP under their wills and to name AHIP as the beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans.

The Executive Committee or Finance Committee of the board will determine the allocation within the operating budget of the realized bequests in the case that the bequest is unrestricted

AHIP Gift Acceptance Policy

or the purpose not previously agreed upon with the donor. In the case where the donor restricts the gift and where an agreement was not arranged prior with AHIP, the Executive Committee or Finance Committee will accept the gift in accordance with this policy. Funds may be allocated to a reserve fund for future use if not used in the year received. In the event the restriction is not acceptable or any longer germane, AHIP reserves the right to allocate the gift in a related manner that benefits the organization.

Where possible, intended bequests of property other than cash or marketable securities should be brought to the attention of the Executive Committee.

Charitable Remainder Trusts

AHIP will accept designation as a remainder beneficiary of charitable remainder trusts.

Charitable Lead Trusts

AHIP will accept designation as an income beneficiary of charitable lead trusts.

Gifts of Endowment

AHIP will accept gifts that establish an endowment or quasi-endowment fund that yields income from the gift principal support AHIP's programs and services. Generally, with an endowed fund the principal of the gift is invested but not used, thus preserving the gift in perpetuity or so long as the organization exists.

A gift to establish an endowment requires an endowment agreement, signed by the donor and the Executive Director.

Gift and Pledge Agreements

AHIP obliges donors to enter into a formal written gift, grant, or pledge agreement under the following circumstances:

- The gift is to establish an endowment or quasi-endowment
- The gift includes a multi-year pledge for future years
- The gift is restricted for specific purposes
- The gift requires regular reporting or specific outcomes

A copy of the template gift agreement is on file with the organization.

Gift Acceptance Subject to Prior Review

Tangible Personal Property

The Executive and/or Philanthropy Committee shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

AHIP Gift Acceptance Policy

- Does the property further the organization's mission?
- Is the property marketable?
- Are there any unacceptable restrictions imposed on the property?
- Are there any carrying costs for the property for which the organization may be responsible?
- Is the title/provenance of the property clear?

The donor is responsible for obtaining a qualified appraisal to determine fair market value. Expenses incurred to obtain an appraisal shall be the responsibility of the donor.

Life Insurance

AHIP will accept gifts of life insurance where AHIP is named as both beneficiary and irrevocable owner of the policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

Real Estate

All gifts of real estate are subject to a preliminary review by the Executive and/or Philanthropy Committee and a final vote by the full Board of Directors. Prior to acceptance of any gift of real estate other than a personal residence, AHIP shall require an initial environmental review by a qualified environmental firm that has no business or other relationship to the donor. In the event that the initial review reveals a potential problem the organization may retain a qualified environmental firm to conduct an environmental audit.

Criteria for acceptance of gifts of real estate include:

- Is the property useful for the organization's purposes?
- Is the property readily marketable?
- Are there covenant, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property?
- Are there carrying costs (including insurance, property taxes, mortgages, notes or the like) or maintenance expenses associated with the property?
- Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

The cost of obtaining necessary documents and fees associated with environmental studies; property taxes; maintenance, management and insurance appraisals; title reports; and legal fees should be borne by the donor.