



GIFT ACCEPTANCE POLICY

Grow Pittsburgh encourages the solicitation and acceptance of gifts to help further and fulfill its mission of providing the highest quality services to our community and constituents. It is the purpose of these guidelines to govern the acceptance of gifts by Grow Pittsburgh and to provide guidance to prospective donors and their advisors. The provisions of these guidelines shall apply to all current and deferred gifts received by Grow Pittsburgh, whether from individuals, corporations or foundations, or via other giving vehicles.

MISSION

Grow Pittsburgh teaches people how to grow food and promotes the benefits that gardens bring to our neighborhoods.

INTRODUCTION

Grow Pittsburgh has developed this policy to:

- (1) assure that the organization conducts fundraising activities in an ethical and responsible manner;
- (2) clarify the types of gifts it will accept to help achieve its stated mission; and
- (3) assure legality, consistency, and fairness, which inform donor expectations and protect Grow Pittsburgh.

I. GENERAL GUIDELINES

A. Protection of Grow Pittsburgh's Interest: These guidelines are designed to assure that all employees, prospective donors, board members, and other volunteers understand the rules pertinent to the solicitation, donation, and acceptance of gifts. Adoption of these guidelines should help (i) minimize the risks of any misunderstanding concerning a potential gift; (ii) facilitate decision-making in accepting, rejecting or conditioning gifts; and (iii) minimize or eliminate ad hoc or inharmonious decisions in gift acceptance.

B. Confidentiality of Information: Grow Pittsburgh shall take all reasonable steps to ensure that non-public information learned by any representative (including both staff and volunteers) of the organization about a donor or the donor's assets or philanthropic intentions shall be held in strict confidence unless permission to release it is obtained from the donor or their counsel. Nevertheless, donors will be encouraged to notify Grow Pittsburgh of their current and deferred gifts, so that Grow Pittsburgh may bestow proper recognition upon the donor. In the case of deferred gifts, it shall be the policy of Grow Pittsburgh to recognize donors for establishing these gifts whenever possible and to encourage the donor's participation in the appropriate giving circle or society, if applicable.

C. Legal Counsel: The Executive Director and Board Chair, or their designees, shall seek the advice of the organization's legal counsel in matters regarding current or deferred gifts which involve (i) naming of Grow Pittsburgh as trustee or fiduciary, (ii) emergence of potential conflicts of interest, and (iii) any agreement which requires that Grow Pittsburgh assume legal

obligations. Each prospective donor shall be urged to seek the advice of an independent legal counsel or advisor prior to Grow Pittsburgh acting in any way as a party to a planned gift. A donor who chooses not to engage counsel must acknowledge this decision in the gift agreement before the acceptance of a gift. Gift Agreements will require review by the Grow Pittsburgh's legal counsel.

It is not the province of Grow Pittsburgh or its volunteer or staff representatives to give legal, accounting, tax, or other advice. Such advice is reserved to the donor's own counsel or other advisors.

D. Charitable Intent: It is the policy of Grow Pittsburgh to enter into giving arrangements that reflect philanthropic intent on the part of the donor with regard to the mission of Grow Pittsburgh. The Board Chair and the Executive Director, or their designees, will document the scope and nature of the philanthropic intent expressed by the donor whenever possible.

Grow Pittsburgh will only accept gifts that fit within the scope and vision of its mission and brand. Any gift that may require Grow Pittsburgh to move outside of the scope and vision of our work may be declined at any time during the gift acceptance negotiations. Additionally, such a gift may be returned after it is completed if it becomes apparent that its resulting impact does not conform to the original intent of the gift or the scope and vision of Grow Pittsburgh.

E. Restricted Gifts: Donors may choose to restrict the use of their gifts to any purpose consistent with the charitable and community enhancement purposes of Grow Pittsburgh. So long as the restrictions are (1) not quid pro quo in nature, (2) not too restrictive, or (3) not contingent upon specified future acts by Grow Pittsburgh, the Executive Director and Board Chair may accept the restriction and bind Grow Pittsburgh to its provisions.

A donor making a deferred gift will be asked to agree that, should restrictions the donor chooses at the time of the initial gift agreement become obsolete at the maturity of the gift because of changes beyond the control of Grow Pittsburgh, the organization may use the gift in a manner that meets its greatest need at the time the gift is realized. The Board Chair and Executive Director shall make available to the donor or their counsel the following sample contingency clause: "If, in the opinion of Grow Pittsburgh, all or part of the funds cannot be applied in strict conformance with the purpose(s) previously stated, it may use these funds for other appropriate purposes as nearly aligned to the original intent of the donor as good conscience dictates within the authorized powers of Grow Pittsburgh."

F. General Gift Approval Guideline: With the exception of gifted items that are of immediate useful purpose to Grow Pittsburgh, the organization's objective in accepting gifts of any kind is to convert such gifts to cash, which it may then invest or use for operating expenses. Hence the availability of appropriate exit or liquidation strategies will be an important factor in decisions whether to accept such gifts. Grow Pittsburgh will consider whether gifts are likely to require financial out-of-pocket obligations to carry the gift and will also consider the sufficiency of the property's income producing characteristics to offset such obligations. In appropriate circumstances, Grow Pittsburgh may condition acceptance of a gift upon agreement of the donor to indemnify Grow Pittsburgh against any potential future liabilities or obligations. Grow

Pittsburgh will require the donor to retain independent qualified appraisers, in accordance with IRS rules and regulations.

G. Refusal to Endorse: Grow Pittsburgh generally will decline proposals which require an endorsement from Grow Pittsburgh in order to be the recipient of proceeds from the sales of commercial products. Exceptions shall be reviewed on a case-by-case basis by the Executive Director and Board Chair, with consultation with the governance committee of the Board of Directors as needed.

II. NEGOTIATION AND APPROVAL OF GIFTS

A. Authority for Negotiation: The Board Chair and Executive Director are each authorized to negotiate gift agreements with prospective donors. They may delegate the exercise of such authority, with written limits, to another staff member of Grow Pittsburgh, albeit subject to their approval. The Grow Pittsburgh-designated legal counsel shall lend assistance in the negotiation process as appropriate.

B. Authority for Approval: It is the intent of this section to establish reasonable limits for the approval of current and deferred gifts to protect Grow Pittsburgh, its staff and volunteer representatives.

1. **Simple Gifts** –The approval of both the Executive Director and Board Chair are required to accept on behalf of Grow Pittsburgh any: (i) planned gift made by will or other estate planning instrument, any current gift, and any other deferred gift which is unrestricted in nature and is funded with cash, publicly traded securities or other financial instruments with a ready market and where Grow Pittsburgh is neither named as trustee nor has other fiduciary responsibilities or liability (subject to Section 1.D.); (ii) paid-up insurance policies where Grow Pittsburgh is named as a beneficiary; and (iii) gifts received via beneficiary designations from retirement accounts and life insurance contracts.
2. **Complex Gifts** – The following gifts require more consideration and approval before their acceptance by Grow Pittsburgh: (i) real property; (ii) interests in closely held or non-public corporations; (iii) interests in unincorporated businesses; (iv) tangible personal property; (v) partnership interests; (vi) interests involving retained life estates; (vii) life insurance where the policy has not been paid in full; (viii) gifts which require continuing financial management by Grow Pittsburgh; (ix) gifts which require an expenditure of funds by Grow Pittsburgh; (x) gifts bearing restrictions imposed by the donor; and (xi) gifts restricted by applicable securities law. The acceptance of these gifts requires the approval of both the Executive Director and Board Chair. Consultation with the Board or a Committee within the Board is required for Complex Gifts.
3. **Signatures on Gift Agreements** – The Executive Director and Board Chair are authorized to sign gift agreements that have been approved as provided herein. Grow Pittsburgh may enter into charitable gift arrangements authorized under law by contract. The Grow Pittsburgh-designated legal counsel shall review all gift agreements before execution.

III. ASSETS ACCEPTED

In general, Grow Pittsburgh may accept any gift that is provided for in law or custom so long as the gift is consistent with the other provisions of these guidelines. Grow Pittsburgh will not accept gifts which may result in negative or adverse impacts on the organization. The following criteria govern the acceptance of each gift form:

A. Liquid and Current Assets

1. **Cash** – Cash is acceptable in any form, including but not limited to, cash, checks, money orders, and gifts via credit cards and online payment systems, all forms of which shall be delivered to Grow Pittsburgh’s Development department. Checks should be made payable to Grow Pittsburgh.
2. **Grants** – Grants from private foundations, public foundations, donor-advised funds, charitable trusts, and supporting organizations.
3. **Publicly Traded Securities** – Marketable, publicly-traded securities and bonds may be transferred to an account maintained by the organization at one or more brokerage firms or delivered physically with the transferor’s guaranteed signature on the securities certificate or accompanying stock power. As a general rule, all marketable securities shall be immediately sold upon receipt unless otherwise directed by the Executive Director and Board Chair. Securities may be held in the brokerage account without liquidation, if in the opinion of Grow Pittsburgh’s investment manager, the market value of the security is expected to increase in the short or long term. In some cases, marketable securities may be restricted by applicable securities laws; in such instances the final determination on the acceptance of the restricted securities shall be made as specified under Authority of Approval.
4. **IRA Charitable Rollover** – Gifts made permanent by passage of H.R. 2029 (also known as the “Protect Americans From Tax Hikes” or “PATH” Act) in 2015 of up to \$100,000 will be accepted from a donor’s IRA plan so long as the gifts conform to the requirements of the law. The donor does not receive a tax deduction for such a gift and the asset must be transferred directly from the IRA plan to Grow Pittsburgh.

B. Illiquid Assets – Each gift of an illiquid asset giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining and paying for the expenses of such appraisal and ensuring that the appraisal satisfies the criteria of a “qualified appraisal” required by federal tax law. Grow Pittsburgh reserves the right to obtain an independent appraisal of the property.

1. **Closely Held Securities and Interest in Business** – Closely held securities, which include debt and equity positions in non-publicly traded companies and interests in LLPs, LLCs, or other ownership forms, can be accepted as specified under Authority for Approval. Such gifts, however, must be reviewed prior to acceptance to determine that:
 - (i) there are no restrictions on the securities that would prevent Grow Pittsburgh from

ultimately converting those assets to cash; and (ii) the securities are marketable; and (iii) the securities will not generate any burdensome or undesirable tax consequences for Grow Pittsburgh. Every effort will be made to sell non-marketable securities as quickly as possible. No commitments shall be made by Grow Pittsburgh for the repurchase of such securities prior to completion of the gift.

Before Grow Pittsburgh will accept agreements funded by the gift of business interests or portions thereof: (i) the gift must be consistent with state and federal law, (ii) the business must not be engaged in activities or practices that would cause harm to the nature, scope, and vision of Grow Pittsburgh's vision or brand, (iii) the donor must offer adequate written assurances that there is independent information, provided by a qualified expert as defined by IRS standards, that there are no environmental hazards present, and (iv) there must be a reasonable expectation that the business or portion thereof donated to Grow Pittsburgh can readily be sold at fair market value. It is not the intention of Grow Pittsburgh to hold or own an interest in any operating business not directly associated with the organization's charitable purpose for any period of time other than that required for an expeditious sale. This policy strongly discourages the acceptance of general partnership interests.

2. **Tangible Personal Property** – All gifts of tangible personal property, such as works of art, jewelry, furniture, collections, heirlooms, and other personal property shall be accepted only as specified under Authority for Approval. Such gifts will be reviewed prior to acceptance to determine that: (i) the property is desirable, requested, and presents a true opportunity for Grow Pittsburgh to enhance or relieve its budget; (ii) there are no undue restrictions on the potential sale of the property; (iii) there are no significant carrying costs for the property; and (iv) the value of the property warrants acceptance of the gift. When appropriate, efforts will be made to sell tangible personal property as quickly as possible.
3. **Real Property** – It shall be the policy of Grow Pittsburgh to accept gifts of real estate, with approval as defined under the Authority of Approval, whether given outright or as a deferred gift, provided that the gifted real property, in Grow Pittsburgh's determination, is environmentally sound, marketable, and has value or is useful to Grow Pittsburgh's mission. The following steps must be implemented before the acceptance of any gift of real property:
 - a. **On-Site Inspection** – One or more representatives of Grow Pittsburgh shall make an on-site inspection of the property and submit a written report for review by the Board Chair and Executive Director. If the property is out-of-state and performing an on-site inspection would incur unwarranted expenses in relation to the value of the gift, a qualified third party may be retained to evaluate the property. Grow Pittsburgh may also retain a licensed contractor to inspect the property.
 - b. **Report on Real Property** – The designee of the Executive Director or Board Chair shall prepare an evaluation of the anticipated costs (holding, selling, or otherwise) and sales proceeds to ensure that there will be a net realizable gain resulting from

Grow Pittsburgh's acceptance of a gift of real property. The evaluation shall take into account, but not be limited to, the following:

- i. The present market value and marketability of the property.
- ii. The potential cost of acquisition, including marketing, commission and closing costs.
- iii. The carrying costs of the property, which may include insurance, mortgages, notes, property taxes, unrelated business income tax and other taxes.
- iv. The zoning restrictions, encumbrances, easements and other limitations associated with the property.
- v. The maintenance, repair and remediation expenses associated with the property.

- c. Hazardous Materials and Environmental Issues – Grow Pittsburgh shall employ or consult with a licensed third party to investigate any and all environmental issues related to the property and prior to acceptance shall require completion of an Environmental Site Assessment report. Such a report will be prepared by a qualified engineering firm or other appropriate agency and must comply with ASTM International Standards. The donor shall pay for the report.

If the Environmental Site Assessment report indicates possible contamination, Grow Pittsburgh may elect to obtain an additional report relative to the specific type(s) of contamination indicated. The donor shall pay for the additional report.

On-site pollution shall also be evaluated. Potential clean-up processes, holding costs, and taxes shall be evaluated before a gift is accepted in the event that a potential on-site pollution source is discovered.

- d. Clear Title – Grow Pittsburgh shall authorize a title search to be conducted on any real property that it may receive as a gift. Grow Pittsburgh may also purchase title insurance for any gifted property.
 - e. Encumbered Property – Grow Pittsburgh may approve outright gifts, and bargain sales which are funded with encumbered property, or an interest therein, so long as there is reasonable expectation that the property can readily be sold and there are no adverse tax consequences for Grow Pittsburgh.
4. Other Property – Other property not otherwise described in this section whether real or personal, of any description (including mortgages, notes, copyrights, trademarks, royalties or easements) may be accepted as set forth under Authority for Approval after the complete evaluation of the costs associated with holding such property before liquidation. Gifts in-kind, such as tools, equipment, books, software, and the like which may be put to immediate use for purposes related to the mission of Grow Pittsburgh are to be included in this definition.
 5. Bargain Sale of Real Estate and Personal Property – Grow Pittsburgh may enter into bargain sale arrangements in instances in which the bargain sale furthers the mission and

purposes of Grow Pittsburgh. Such gifts will be accepted only as specified under Authority for Approval and shall be reviewed prior to acceptance to determine: (i) if Grow Pittsburgh will either use the property or there is a market for resale; (ii) if Grow Pittsburgh assumes debt on the property, the debt ratio is less than 50% of the appraised market value, and, (iii) the costs to carry the property during the holding period are reasonable.

IV. DEFERRED GIFTS ACCEPTED

1. **Bequests** – Donors shall be encouraged to make non-contingent provisions to Grow Pittsburgh in their wills and living trusts. A person making inquiry as to the acceptability of property left to Grow Pittsburgh shall be encouraged to make the gift in accordance with these guidelines. Such inquiries shall be referred to the Executive Director or Board Chair. Grow Pittsburgh will not act as trustee of a revocable trust.
2. **Pledges** – Pledges of gifts should be in writing and contain the following minimum information to substantiate the pledge: (i) the amount of the pledge, (ii) a clearly defined payment schedule, (iii) the purpose for the use of the funds, and (iv) absence of donor-prescribed contingencies or conditions. All changes to original pledges must be documented. Unless the pledge is of a deferred gift, pledges should generally provide for their satisfaction within five years. Pledges are subject to approval.
3. **Retirement Plans and IRA Accounts** – Donors shall be encouraged to name Grow Pittsburgh as the primary or contingent beneficiary of retirement programs such as IRAs, annuities, Keoghs (HR10), 401K plans and other qualified pension and profit-sharing plans.
4. **Life Insurance** – A donor may give a paid-up life insurance policy to Grow Pittsburgh, naming Grow Pittsburgh as both owner and irrevocable beneficiary. A donor may give a life insurance policy that is not paid up if the policy has a current gift value or if the Board Chair and Executive Director are assured that there is a reasonable expectation that the donor will continue to make gifts that will at least equal the costs of premiums for that policy. Should a contributed life insurance policy require additional premiums to remain in force, the Board Chair and Executive Director shall determine the prudence of accepting such contributions and shall advise the donor that Grow Pittsburgh cannot guarantee continued payment of premiums on such policies. Grow Pittsburgh reserves the right to exercise any available choice regarding policies of which it has been assigned ownership, including but not limited to continued premium payments, cash surrender or conversion to paid-up insurance.

V. ADMINISTRATIVE PROVISIONS

A. Costs of the Gift – It is the responsibility of the Donor to arrange for and pay for any appraisal required for IRS purposes, as well as the costs associated with the consultation with Donor's own independent accountant, attorney or other advisor about the gift process. Grow Pittsburgh shall encourage donors to cover all organizational costs raised by their gifting of

assets to Grow Pittsburgh. Examples include: legal fees for the preparation of documents, accounting fees incident to the transaction, and appraisal fees by independent qualified appraisers, as determined by the IRS, costs of surveys, title reports and environmental assessment reports.

B. No Compensation – Grow Pittsburgh shall not pay any fee, directly or indirectly, in order to receive a gift. In the event that a donor has employed a gift planner to make a gift to Grow Pittsburgh, it is the responsibility of the donor to compensate this gift planner accordingly for its work and services on behalf of realizing the donor’s philanthropic objectives. No person in the employ of Grow Pittsburgh may accept any compensation or material benefit from a donor as a result of the gift planning process.

C. Compliance with IRS Filing Requirements – The Donor is responsible for collecting the information and filing Form 8283 (Noncash Charitable Contributions) with the IRS. Grow Pittsburgh acknowledges that it is responsible for filing IRS Form 8282 (Donee Information Return) upon the sale or other disposition of any asset sold within 3 years of receipt of the gift, when the charitable tax deduction value of the item is more than \$5,000, or otherwise required by applicable law. Grow Pittsburgh will acknowledge all gifts in compliance with current IRS Regulations.

D. Crediting Gifts – To express Grow Pittsburgh’s gratitude for the generous support of its programs and services, Grow Pittsburgh is authorized to credit gifts in the following manner:

- Gifts that are irrevocable because of their nature, such as paid-up life insurance policies, will be recognized at the full value of the gift amount when the donation is made.
- Gifts by arrangement that are revocable (those gifts where the donor has reserved the right to change the charitable beneficiary) will be conditionally recognized at full value only on the recommendation of the Executive Director and Board Chair, and/or approved designees; such recognition will be rescinded should the gift be directed to another charity.
- Revocable gifts of whatever nature will be acknowledged and treated as other gifts except that no permanent recognition will be offered until and unless the gift becomes irrevocable. Revocable planned gifts will be formally recognized upon maturity in the same manner as other gifts.

E. Bequests – All estates and trusts in which Grow Pittsburgh is a beneficiary shall be monitored by the Board Chair and the Executive Director, or approved designees. Procedures shall include the acquisition of relevant court documents pertaining to each estate, calculation of approximate bequest value and periodic checks on the distribution process.

All testamentary trusts in which Grow Pittsburgh is named as a direct beneficiary or remainder beneficiary shall be evaluated and reviewed at least annually.

F. Internal Procedures – Grow Pittsburgh has adopted specific internal procedures for the acceptance of gifts of cash, securities, estate and trust distributions, and for receiving and processing gifts made through the mail or online. These procedures shall be incorporated and enforced herein by reference.

G. Exceptions – Grow Pittsburgh recognizes that these guidelines cannot anticipate the nature and circumstance of every potential gift. Therefore it reserves the right to exercise judgment as necessary within the parameters of these general guidelines. As such, exceptions to the guidelines may sometimes be found wholly appropriate. All exceptions shall be negotiated in advance with the approval of the Board Chair and the Executive Director.

H. Acceptance of Model Standards – Representatives of Grow Pittsburgh shall at all times comply with all Standards of Practice promulgated by the Association of Fundraising Professionals, National Association of Charitable Gift Planners, and standards and policies adopted by Grow Pittsburgh. A donor may expect any representative of Grow Pittsburgh to reflect the dignity and respect dictated by the charitable purposes and policies of the organization, the Association of Fundraising Professionals Code of Ethics, and the National Association of Charitable Gift Planners’ Model Standards of Practice for the Charitable Gift Planner.

I. Review of and Changes to Guidelines – These guidelines have been reviewed and accepted by the Grow Pittsburgh Board of Directors. The Board must approve any amendments to these guidelines. It is Grow Pittsburgh’s intention to regularly review its Gift Acceptance Policy and to keep updated on any changes to federal, state, and local law and accepted accounting principles. The Board will review the guidelines every five years or as specific needs arise.

Date of Acceptance: January 26, 2022
Approved by Board of Directors