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Approved by: Board of Directors

Gift Acceptance Policy Procedure

I. Introduction

Families First of Indiana, Inc. (FF) a registered 501(c)(3) non-profit organization under the laws of the State of Indiana, encourages the solicitation and acceptance of gifts to support the fulfillment of its mission and to offer its contributors and supporters an opportunity to relate their charitable objectives to total estate and financial planning. FF encourages contributors and supporters to consider making provision for FF when evaluating financial and estate plans.

Recognizing that flexibility must be maintained since some gift situations can be complex, these policies may require that the President/CEO, the Finance Committee, and where appropriate, the FF Board of Directors (Board) consider the merits of a particular gift.

These policies and procedures govern the acceptance of gifts by FF and provide guidance to prospective donors and their advisors when making gifts to FF. The provision of these policies and procedures shall apply to all gifts received by FF for any of its programs or services.

II. Legal Counsel

Prospective donors shall be advised to consult with their attorneys or accountants on matters related to the tax implications and estate planning aspects of gift agreements.

FF shall consult with its legal counsel in matters pertaining to its asset development program when appropriate and shall execute no agreement, contract, trust or other legal document with any donor without the involvement of legal counsel.

III. Influence

No program, agreement, trust, contract or commitment shall be knowingly urged upon any prospective donor, which would benefit FF at the expense of the donor's interests and welfare.

No agreement shall be made between FF and any agency, person, company or

organization on any matter related to investments, management, or gift options, which would knowingly jeopardize the donor's interest.

Representatives of FF shall exercise extreme caution to avoid pressure, persuasion or undue influence when the representative is to inform, counsel and assist the donor in gift planning concerns, including the exercise of prudent consideration of the donor's personal interests as well as charitable objectives.

All personnel employed by FF or on contract with FF to contact prospective donors shall be paid a salary or fixed wage, but shall not receive commissions or other compensation that could give such personnel a direct beneficial interest in any agreement.

FF staff shall abide by acceptable standards of conduct as stipulated in FF's policies governing employee behavior and best practices of the fundraising profession.

IV. Confidential Information

FF recognizes that it is in a position of trust with the donor, and that the donor has placed trust in the organization concerning confidentiality. Therefore, all information concerning donors and prospective donors shall be kept strictly confidential by FF and its personnel unless the donor grants permission to use selective information for purposes of referral, testimonial or example. Donor records are kept in a secure place accessible only to authorized personnel. FF will honor the request of donors if they choose not to disclose the amount or name associated with any gift through any publication, except as required by the IRS or legally authorized and enforceable requests for information by government agencies and courts.

V. Authorization for Negotiation

FF's President/CEO and/or designee and the Board Chair and/or designee are authorized to negotiate on behalf of FF with any donor in respect to gift instruments that follow the format described in these policies and are approved by the Board.

All gift annuity contracts, trust documents, life income agreements and other formal planned gift instruments shall be reviewed by the President/CEO.

Any real estate or interests in real property or hard-to-value assets exchanged for an agreement of any kind must be approved by the Board or the Finance Committee.

Any agreements, which involve a legal obligation on the part of FF which do not follow the forms described in these policies or are special agreements of any kind, will require the approval of the Board.

VI. Investment of Funds

FF shall establish and maintain an endowment fund. Any planned gifts, memorials, honorary gifts, endowment-designated gifts or estate gifts will be deposited in the endowment fund unless otherwise requested by the donor. FF's endowment fund shall be

managed in a manner consistent with FF's investment policy established and approved by the Board.

Some gifts received by FF, such as Charitable Gift Annuities and some trusts in which FF is named as a co-Trustee, may be made a part of an endowment fund managed by the Central Indiana Community Foundation (CICF).

Investment of those funds shall be subject to the guidelines of CICF as outlined in the Charitable Organization Endowment Fund Agreement between CICF and FF.

VII. Use of Funds

The FF endowment fund shall be separate from the general operating assets of FF. The Finance Committee, guided by the investment policies established by the Board, shall manage the endowment fund.

At the close of each year, the Finance Committee will determine that portion of endowment fund income that is available to fund current FF operations, on the basis of the Investment Policy Statement's Distribution Needs & Restrictions then in effect.

To the extent required by a restricted gift that FF accepts, FF shall honor the donor's restrictions with respect to the use of income from restricted gifts.

It is FF's intention to preserve the principal of the endowment fund and not to invade that principal for current, recurring expenses of FF. The FF Board, however, by a two-thirds majority vote, may decide to use a portion of the endowment fund principal for purposes that the Board determines to be in FF's long term interests. If such a determination is made, the Board shall provide a plan regarding terms of repayment of principal or for the replenishment of funds. The Board shall not make such use of any portion of principal that constitutes a restricted gift.

VIII. Types of Charitable Gifts

FF reserves the right to decline any gift if it determines that decision to be in the best interests of FF. In general, however, FF will accept the following types of gifts:

A. Cash

All unrestricted gifts of cash are broadly discretionary to FF and will be recorded at full value on the date of the gift and used to fund current operations or to maintain reserves. Planned gifts, memorials and honorary gifts will be deposited in the endowment fund.

Restricted cash gifts have a donor-placed restriction as to the purpose or timing of the use of the funds. These funds are recorded at full value on the date of the gift and are used to fund current operations, special

projects, or fulfill the donor's wishes.

All checks must be made payable to FF and shall in no event be made payable to an employee, agent or volunteer for the credit of FF.

FF accepts VISA, Mastercard, Discover, and American Express. For gifts made by credit card, the date the charge is accepted for processing by FF is the applicable date of the gift.

B. Pledges -

- These funds are promises to contribute amounts specified by donors.
- Pledges may be restricted or unrestricted as described above and may be one-year or multi-year commitments.
- Pledges are expected to be fulfilled with contributions of cash or stock.
- For in-kind contributions to be used to fulfill pledges, the contributions must cover expenses that appear in the annual budget.
- Annual Fund pledges are expected to be paid in the fiscal year in which they are pledged.

C. Matching Gifts –

Unless the company or foundation specifies otherwise, matching gifts follow the restrictions of the donor whose gift is being matched: if a donor makes an unrestricted gift, the matching gift is unrestricted and, if the donor makes a restricted gift, the match is likewise restricted. FF counts matching gifts as a soft credit toward an individual's gift total in the year the matching gift is received.

D. Non-Cash Gifts - In-Kind Contributions – Gifts of goods or services.

- To qualify as an in-kind contribution, the donation must directly reduce a current expense which would otherwise have been incurred had the donation not been made.
- In-kind contributions that cover expenses in the annual operating budget may be used to fulfill pledges to FF. Such a contribution is acknowledged as payment toward the pledged amount.
- The donor is responsible for valuation of the gift of goods or services and will be required to complete an in-kind form so FF can properly acknowledge and record his/her gift.
- When FF receives a gift of goods (supplies, equipment, etc.) or services (advertising, printing, etc.), and the value of that gift is determined to be less than \$5,000, the gift is processed as a non-cash gift. FF does not issue a receipt showing the cash value of such gifts, but acknowledges receipt of the goods or services on the day the property or service is received.
- For any gift-in-kind with an apparent value in excess of \$5,000, the gift is considered restricted, and FF will send the donor Form 8283, if applicable, which must be filed by the donor with the Internal Revenue Service to claim his/her deduction; it is important for FF to retain a copy of the signed and executed Form 8283. If FF disposes of the item in question within two years of its receipt, FF

must file Form 8282 with the Internal Revenue Service within 125 days of the date of sale or disposition of the asset. It is not permissible for FF to agree with a donor to delay the sale or liquidation of property solely for the purpose of avoiding the filing of Form 8282.

E. Publicly Traded Securities

Securities that are publicly traded on recognized exchanges shall be accepted by FF. The gift date of securities shall be the date the contributor relinquishes ownership and control of the security by signing the stock or bond power appropriately and either mailing or delivering the security to FF or by giving the broker instructions to transfer the security to FF.

FF may sell such securities at any time following the gift; however, retention of the securities is solely at the discretion of FF. In no event shall an employee or volunteer working on behalf of FF commit to a contributor that a particular security will be held by FF.

Contributors are cautioned to seek tax counsel on arriving at the valuation of gifts as recognized by taxing authorities.

F. Closely Held Securities

Gifts of securities that are not publicly traded may be accepted by FF only with Finance & Outcome Committee approval after a thorough review by the Committee and such counselors as the Committee deems appropriate.

Gifts of closely held corporate stock will be carried on FF's books at market value, as determined by FF.

Gifts of bonds which require a "holding" period may be accepted and cashed when the holding period has expired.

Gifts of securities that are not likely to be accepted include the following:

1. Securities that are assessable, or in any way would create a liability to FF;
2. Securities that, by their nature, may not be assigned, such as Series "E" savings bonds;
3. Securities that, upon investigation, have no apparent value.

G. Bequests

A contributor may make a gift to FF through a bequest. The contributor can specify an amount in dollars or percentages, may designate articles of

personal property, or may leave a remainder of his/her estate to FF. Contributors may also establish through their wills a gift annuity, charitable remainder trust or a charitable lead trust to benefit FF.

Where possible, intended bequests of property other than cash or marketable securities should be brought to the attention of the FF development staff. Every attempt will be made to encourage contributors involved to conform their plans to FF's policies.

Gifts from the estates of deceased contributors shall be rejected only by the action of the Board. A FF representative shall communicate the decision of the Board to the legal representative of the estate.

H. Charitable Gift Annuities

FF is authorized to issue charitable gift annuities, including both immediate and deferred payment annuities. Any gift annuities will be managed by a financial institution acceptable to the Families First board.

FF will periodically review and discuss with the investment advisor and/or financial institution the payout rates to be used for annuities. The donor must make formal application for an annuity.

I. Charitable Trusts

A contributor may make a gift to FF in the form of a Charitable Remainder Trust or a Charitable Lead Trust where FF is named as a charitable beneficiary of the trust. FF will not serve a sole trustee of a charitable trust. Any trust to which FF is a Co-trustee shall be managed by a financial institution acceptable to the FF Board.

In all cases where FF agrees to serve as a Co-trustee, the terms of the trust document must be acceptable to FF. Further, FF reserves the right to negotiate the type of remainder trust to be used, the payout rate, the type and amount of funding assets, the term of the trust, and the number and age of income beneficiaries.

J. Real Estate

A contributor may make a gift to FF in the form of real estate. All gifts of real estate will be subject to Board approval prior to acceptance.

Before any real estate is accepted, FF should make an on-site inspection of the property. If deemed appropriate, a broker, licensed contractor or other appropriate person shall be hired to make an inspection on behalf of FF.

Prior to acceptance of a gift of Real Estate, the contributor must provide, at his/her expense, the following information, and any other information that the Board deems necessary to evaluate a prospective gift of Real Estate: address, legal description, tax information, preliminary title report, appraisal, comparative market analysis, disclosure documents, legal survey, a level 1 Environmental Impact Study and Audit, and if necessary, a level 2 Environmental Impact Study and Audit.

K. Life Insurance

FF accepts fully paid gifts of life insurance. The contributor must transfer an insurance policy to FF's sole ownership with FF as sole beneficiary - in order to be a completed life insurance gift. If the contributor makes an irrevocable transfer of a life insurance policy to FF naming FF as owner/beneficiary, the policy's value is a charitable contribution in the year of the transfer.

Gifts of any other life insurance products shall be subject to evaluation and acceptance by the Board.

L. Other Non-Cash Gifts

All proposed gifts of interests in real property, artwork, collectibles or corporate assets will be evaluated by the President/CEO and/or designee for recommendation to the Board for acceptance as offered, or acceptance subject to conditions, or refusal.

IX. CHANGES TO GIFT ACCEPTANCE POLICIES AND PROCEDURES

These policies and procedures will be reviewed annually. The Board must approve any changes to, or deviations from, these policies and procedures.

Gift Acceptance Policy approved 8.18.17