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| Policy Title | Gifts and Grants Solicitation and Acceptance Policy |
| Policy Number | CPCNH-2022-03 |
| Effective Date | Original: 11-17-22 |

PURPOSE

To establish procedures and guidelines by which CPCNH may (1) solicit and accept gifts and grants and (2) protect against the potential for controversy that may arise if certain gifts or grants are accepted.

POLICY

I. AUTHORITY TO SOLICIT AND ACCEPT GRANTS AND GIFTS

The Board of Directors, with the advice of the Finance Committee, may authorize the solicitation and acceptance of gifts and grants for the benefit of any of CPCNH's operations, programs, or service and for purposes that will help the organization further and fulfill its mission and are in accordance with the Sections 2.3.1 and 2.3.10 of the adopted By-Laws, as amended, Sections 7.1 and 7.10 of the Articles of Agreement, and the Joint Powers Agreement dated October 1, 2021.

II. GIFT EVALUATION GUIDELINES

A. General Evaluation Factors

When considering whether to solicit or accept gifts, the organization will review the following factors:

- **Values:** Will the acceptance of the gift compromise any core values of CPCNH?
- **Compatibility:** Is there compatibility between the intent of the donor and how CPCNH will use the gift?
- **Public relationships:** Will the acceptance of the gift damage the reputation of CPCNH?
- **Compliance:** Is the solicitation of the gift or grant, and the acceptance of same in compliance with CPCNH's By-Laws, the Articles of Agreement, the Joint Powers Agreement, and state law as it relates to solicitation and acceptance of gifts or grants?
- **Primary benefit:** Is primary benefit to CPCNH or the donor?
- **Consistency:** Will acceptance of the gift be consistent with prior practice?

- **Form of gift:** Is the gift offered in a form that CPCNH can use without incurring substantial expense or difficulty?
- **Effect on future giving:** Will the gift encourage or discourage future gifts?

All decisions to solicit and/or accept potentially controversial gifts will be made by the Board of Directors in consultation with the Finance Committee.

The primary consideration will be the impact of the gift on CPCNH.

B. Use of Legal Counsel

CPCNH will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate, and specifically, counsel will be employed to review:

1. Gifts of securities that are subject to restrictions or buy-sell agreements.
2. Documents naming CPCNH as trustee or requiring CPCNH to act in any fiduciary capacity.
3. Gifts requiring CPCNH to assume financial or other obligations.
4. Transactions with potential conflicts of interest.
5. Transactions with potential tax liability or would cause CPCNH to waive any immunities or defense otherwise available to a voluntary corporation formed for this purpose.
6. Gifts of property which may be subject to environmental or other regulatory restrictions.

C. Specific Criteria and Requirements for Evaluation

i. Gifts that can Generally be Accepted With Minimal Review

The following forms of gifts in the amount of \$10,000 or less are generally not subject to Board review prior to acceptance, but should be reviewed and approved by the Treasurer and CEO (or Board Chair in the absence of a CEO) in consultation with either the Finance or Executive Committees prior to acceptance:

- **Cash.** Cash gifts are acceptable by check or money order.
- **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 (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by CPCNH's Finance Committee. 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 Board.
- **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans.** Donors are encouraged to make bequests to CPCNH under their wills, and to name CPCNH

as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans. Any such bequest will not be recorded as a gift until it becomes irrevocable.

- **Charitable Remainder Trusts.** CPCNH will accept designation as a remainder beneficiary of charitable remainder trusts.
- **Charitable Lead Trusts.** CPCNH will accept designation as an income beneficiary of charitable lead trusts.
- **Anonymous Gifts; Maximum Amount.** CPCNH will accept anonymous gifts, which fall under one of the categories above, so long as the maximum amount is not greater than Ten Thousand (\$10,000.00) Dollars at the time of receipt of the gift.
- **Professional Services.** CPCNH will accept professional services, such as marketing, website design, and the like may be received from those who provide them.

If there is any question by the Treasurer, CEO, Board Chair, or the Finance or Executive Committees as to whether a particular gift should be accepted, they may refer the question to legal counsel and/or the full Board.

ii. Gifts Accepted Subject to Prior Review

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:

- **Tangible Personal Property.** The Board of Directors shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: 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?
- **Life Insurance.** CPCNH will accept gifts of life insurance where CPCNH is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy. Such designations will not be recorded as gifts until the gift is irrevocable.
- **Real Estate.** All gifts of real estate are subject to review by the Board of Directors. Prior to acceptance of any gift of real estate, CPCNH shall require an initial environmental review by a qualified environmental firm. 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 covenants, 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?

III. RESTRICTIONS ON GIFTS

CPCNH will not accept gifts that:

1. Would result in CPCNH violating its corporate charter or By-Laws;
2. Could result in CPCNH losing its status as a not-for-profit organization;
3. Are too difficult or too expensive to administer in relation to their value;
4. Would violate any other adopted Policy of CPCNH;
5. When the gift instrument expresses only a general restriction such as “spend income only” or “preserve the principal,” CPCNH shall comply with the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) with respect to spending (RSA 292-B).
6. Would result in any unacceptable consequences for CPCNH; or
7. Are for purposes outside the CPCNH mission.

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

IV. ADDITIONAL CONSIDERATIONS

The organization will urge 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.

If the original purpose of the gift is obsolete, illegal, impracticable, or impossible to achieve, the Board shall obtain legal advice about obtaining court approval for a change in purpose of the gift.

CPCNH shall register with the Charitable Trusts Unit of the New Hampshire Attorney General's Office or obtain a determination from that office that it is not required to register prior to soliciting any gifts. CPCNH shall file annual reports disclosing its fund-raising activities and other important information with the Charitable Trusts Unit to the extent required by RSA [7:19](#) through [7:32b](#) and the administrative rules pertaining to Charitable Trusts, [Chapter Jus 400](#).