

SEO DETAILS:

Page Title: Does Your Nonprofit Need to Have a Gift Acceptance Policy? Yes! | [INSERT RELATED SERVICE] | [INSERT FIRM NAME]

Meta Description: As a nonprofit organization, your mission is dependent on the donations that you receive, but what happens when those donations don't line up with what your organization actually needs? [NAME OF FIRM] discusses the importance of a gift acceptance policy and how to set one up.

Headline: Does Your Nonprofit Need to Have a Gift Acceptance Policy? Yes!

Nonprofits do an amazing job of helping our world, which is why individuals and companies make donations of money, goods and services to these organizations. Your nonprofit relies on your donor's generosity to meet your mission goals, but what about when you receive a donation that's actually a burden, such as torn or stained clothing, broken electronics or cash gifts that create difficulties? Though you don't want to pass up on a great donation, a gift acceptance policy allows you to manage donor expectations and decline gifts gracefully. Here's how to set up an effective gift acceptance policy.

In-Kind Gifts

In-kind donations are great, provided that they work with your needs, mission and future goals. Providing food or clothing for those in need makes those donations an amazing source of community support, as can volunteer services, such as professional advice and office assistance.

But what about when a donor's gift doesn't work well with your mission, preventing it from being the benefit that the donor intended for your organization? Having a gift acceptance policy in place makes it easier for donors to understand whether their gifts are beneficial and appropriate or if they will cause an undue burden.

As an example, a donor may think that it's a great idea to donate their timeshare to your organization as a prize for funding drives, without realizing that your organization will have to pay for the maintenance of the unit every year, making it a problematic donation at best. Gifts that include licensing requirements, property taxes or disposal costs, including vehicles, boats, real estate, computers or hazardous materials, can cost your organization much more than they're worth, creating significant challenges for your organization.

Gift Acceptance Policies Explain Why You Reject Some Gifts

This type of policy allows you to explain the mechanics of your organization to your donors, including why some gifts may be rejected. For example, car seats that may be dangerous due to age, cribs that no longer meet specific federal requirements or similar donations that may have issues can then be mentioned specifically in your policy and make it clear that donations of these types can create a burden on the organization, rather than a benefit.

You can also discuss how you handle donation rejection while providing transparent views of your procedures and standards, which is why it's a great idea to post it on an easily accessible part of your organization's website. You can also include information such as timing, value or amount thresholds for gift acceptance, as well as anonymity of the donor.

As an example, if your organization looks for cash donations, it's much easier to steer clear of stocks, bonds or mutual funds by simply stating that cash improves the net financial impact and benefits of the donation because of higher levels of liquidity and fewer issues with restrictions due to misappropriation.

The gift acceptance policy also covers your organization's procedures for donation reviews for particular gift types. Real estate donations, as an example, can be documented with regards to what a donor's expectations should be during the process, as well as the type of legal advice that the organization seeks in these types of donations.

Keep Your Policy Updated

Though it's easy to get stuck in thinking about cash, services and in-kind donations, there will always be new situations to consider. One example is cryptocurrency, which was accepted by about 12% of the top charities in the United States in 2019. Though it's become more popular in the younger generation to donate in cryptocurrency, it can create some issues for your organization.

As an example of these changes, will you keep the cryptocurrency as an investment, which can fluctuate like stock does, or immediately liquidate it for its current value? Generally speaking, you'll want to liquidate this type of donation quickly to use the sale proceeds in options that are in line with investment options or donation restrictions without making the process more difficult or wasting time and effort in the process.

Another thing to consider is the lack of regulation and unbacked status with the U.S. government for cryptocurrency, which can increase your risks. It can also make things difficult when it's time to undertake financial reporting, as determining fair market value of virtual investments provides some interesting challenges.

We Can Assist

Turning down a donation can be difficult, which is why it can be helpful to go to your advisors to determine exactly what your gift acceptance policy should be for your organization. But what if you're not sure how to handle the issue? The experienced business professionals at [FIRM NAME] can help. Our level of expertise in working with nonprofits can help us provide you with solid insight into how you'll want to proceed in these and other issues for your organization.

CLOSE:

If you have any questions or need help coming up with a gift acceptance policy, please contact [NAME] in our [DEPARTMENT] at [NUMBER/EMAIL].

SUGGESTED IMAGERY:



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