# CASA OF LEXINGTON, INC.

## GIFT ACCEPTANCE POLICY

**Revised October 2025**

## Purpose

CASA of Lexington is a nonprofit organization which encourages the solicitation and acceptance of gifts for purposes that help fulfill the mission. CASA of Lexington does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to CASA of Lexington.

The purpose of this document is to set forth the criteria that CASA of Lexington uses to determine that a proposed gift is acceptable and to inform prospective donors and their advisors of the types of gifts CASA of Lexington accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by the Executive Director and/or Finance Committee. CASA reserves the right to accept, conditionally accept, reject, disclaim, renounce, decline, or otherwise respond to a prospective gift in the manner in which CASA deems most appropriate.

## Restrictions on Gifts

Unrestricted gifts and gifts for specific programs and purposes may be accepted, provided they are consistent with CASA of Lexington's mission, purposes and priorities. CASA of Lexington will not accept gifts that are inconsistent with its mission, purposes or priorities or are judged too difficult to administer.

## Gifts Subject to Review and/or Legal Counsel

Some gifts may require the Finance Committee to review and seek the advice of legal counsel in matters relating to the acceptance of such gifts. This includes, but is not limited to:

- Securities that are subject to restrictions or buy-sell agreements
- Gifts naming CASA of Lexington as trustee
- Gifts requiring CASA of Lexington to assume financial or other obligations
- Transactions with potential conflicts of interest
- Gifts of property that may be subject to regulatory or environmental restrictions

Other gifts may require the Executive or Finance Committee to review prior to acceptance. Some questions that should be considered are:

- Does the gift further the organization's mission?
- Is the gift marketable/have value?
- Are there any restrictions, covenants, conditions, easements or other limitations associated with the gift?
- Are there any costs associated with the gift that the organization may be responsible for? This could include insurance, property taxes, mortgages, notes or maintenance expenses.
- If there is a title, is it clear?
- Does the environmental review reflect the property is damaged or requires remediation?

Gifts subject to review and/or legal counsel include, but are not limited to:

1. Real Estate – Prior to acceptance of real estate that is not a personal residence, CASA of Lexington requires an initial environmental review of the property to ensure that the property is free of environmental damage. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. If requested, the donor must provide a licensed attorney's opinion of the title to the property at the donor's cost.

2. Tangible Personal Property

3. Life Insurance – where CASA of Lexington is named both beneficiary and irrevocable owner and the donor agrees to pay on time any future premium payments on the policy

4. Closely Held Securities

5. Bargain sales – CASA of Lexington may enter into a bargain sale arrangement in instances where the bargain sale furthers the mission and purposes of CASA. All bargain sales must be reviewed and recommended by the Finance Committee of CASA of Lexington. The value of the property needs to be substantiated by an independent appraisal. Any debt ratio assumed with the property should be less than 50% of the appraised market value. CASA of Lexington will use the property or sale the property within twelve months of receipt.

6. Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans – Donors are encouraged to name CASA of Lexington as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

7. Charitable Remainder Trusts – where CASA of Lexington is designated as the remainder beneficiary

8. Charitable Lead Trusts – where CASA of Lexington is designated as a lead beneficiary

9. Charitable Gift Annuities

10. Oil, Gas, and Mineral Interests

11. Intellectual Property Rights

## Gifts Generally Accepted without Review

The following gifts may be considered for acceptance by CASA of Lexington:

1. Cash

2. In-kind gifts which are consistent with the mission and useful to the organization

3. Publicly Traded Securities
    a. Marketable securities will be sold upon receipt unless otherwise directed by the Finance Committee of CASA of Lexington.

4. Bequests – Donors are encouraged to make bequests to CASA of Lexington under their wills and trusts. Such bequests will not be recorded as gifts to CASA of Lexington until the gift is received and is irrevocable.

## Donor Information

CASA of Lexington holds all information concerning donors and prospective donors in strict confidence, subject to legally enforceable requests for information by government agencies and courts. All other requests for information concerning a donor or a prospective donor will be granted only if permission is first obtained from the donor.

## Donor-Advised Fund (DAF) Acceptance Policy

A Donor-Advised Fund or DAF is a philanthropic vehicle established at a public charity or financial institution that allows donors to make charitable contributions, receive an immediate tax benefit, and recommend grants from the fund over time.

CASA of Lexington gratefully accepts contributions from DAFs in support of our mission to advocate for abused or neglected children. All DAF gifts must comply with IRS regulations and CASA of Lexington's previously stated gift acceptance guidelines.

CASA of Lexington will accept contributions from DAFs that are maintained by a recognized 501(c)(3) sponsoring organization (e.g. Fidelity Charitable, Schwab Charitable, Bluegrass Community Foundation, etc.)

In accordance with IRS guidelines, CASA of Lexington will not accept DAF contributions intended to:

- Fulfill legally binding personal pledges
- Purchase tickets or sponsorships for events that provide more than unsubstantial benefits to the donor
- Provide goods or services (such as auction items) in return for the donor's contribution.

CASA of Lexington reserves the right to review and approve (or deny) all DAF gifts to ensure alignment with our mission and compliance with legal standards.

When CASA of Lexington receives and accepts a contribution from a Donor-Advised Fund (DAF):

- Gift credit will be recorded in our system under the name of the DAF sponsoring organization.
- When the recommending donor is identifiable, CASA of Lexington will assign a "soft credit" to the individual. This allows us to recognize the donor's role in facilitating the gift and to include the contribution in their cumulative giving totals for recognition purposes.

The tax-deductible event occurs at the time of the original contribution to the DAF. As such, CASA of Lexington will not issue a tax receipt to the donor for DAF contributions; the sponsoring organization of the DAF is responsible for providing that documentation.