



Junior Achievement[®] of Arizona

GIFT (DONATION) ACCEPTANCE POLICY

Updated 6.17.21

Junior Achievement of Arizona solicits and accepts gifts (see definition below) for purposes that will help the organization further and fulfil its mission. Junior Achievement of Arizona reserves the right to refuse any gift for any reason and will not act as Trustee or Fiduciary for any donor or gift. For certain gifts, such as crypto currency, cars, real estate, gift annuities, etc., Junior Achievement may use an intermediary non-profit or third party to accomplish gift giving. All gifts will be acknowledged in writing and properly documented. All gifts will be accepted per Internal Revenue Service rules.

Junior Achievement of Arizona urges 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. The donor is solely responsible for identifying any tax benefits. The following policies and guidelines govern acceptance of gifts made to Junior Achievement of Arizona for the benefit of any of its operations, programs or services.

Use of Legal Counsel – Junior Achievement of Arizona may seek the advice of legal counsel in matters relating to acceptance of restricted gifts, as defined below. Review by counsel is recommended for:

- A. Gifts of securities that are subject to restrictions or buy-sell agreements.
- B. Gifts requiring Junior Achievement of Arizona to assume financial or other obligations.
- C. Transactions with potential conflicts of interest.
- D. Gifts of property which may be subject to environmental or other regulatory restrictions.

Restricted Gifts – Junior Achievement of Arizona will not accept gifts that (a) would result in Junior Achievement of Arizona violating its status as a Qualifying Charitable Organization as recognized by the Arizona Department of Revenue, (b) would result in Junior Achievement of Arizona losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are difficult or expensive to administer in relation to their value, (d) may result in any unacceptable consequences for Junior Achievement of Arizona or (e) are for purposes outside Junior Achievement of Arizona's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Finance & Audit Committee (FAC) of the State

Board and JAAZ President. Junior Achievement of Arizona, with the concurrence of the FAC, is not required to accept any gifts and may reject any proposed gift in its sole discretion.

Gifts Generally Accepted Without Review—

- *Cash.* Cash gifts are acceptable in any form, including, but not limited to, cash, check, money order, credit card, or digital wallet application. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express, etc.), card number, expiration date, name of the card holder as it appears on the credit card and security code.
- *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 Junior Achievement of Arizona. 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 FAC.
- *Qualified Charitable Distributions from IRAs.* Junior Achievement of Arizona will accept gifts of distributions directly from a donor's IRA.
- *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans.* Donors are encouraged to make bequests to Junior Achievement of Arizona under their wills and to name Junior Achievement of Arizona as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- *Charitable Remainder Trusts.* Junior Achievement of Arizona will accept designation as a remainder beneficiary of charitable remainder trusts.
- *Charitable Lead Trusts.* Junior Achievement of Arizona will accept designation as an income beneficiary of charitable lead trusts.

Gifts Accepted Subject to Prior Review - Certain forms of gifts or donated properties may be subject to review by either the FAC or JAAZ President prior to acceptance. The donor shall pay for the cost of any appraisal or other external costs required for the donation of an asset.

Examples of gifts subject to prior review include, but are not limited to:

- *Crypto currencies.* Approved donations of Crypto currency will be accepted only through a third party where Junior Achievement of Arizona maintains an account. The third will promptly convert the crypto currency to cash and the cash proceeds will be forwarded to Junior Achievement of Arizona.
- *Tangible Personal Property.* The FAC shall review and determine whether to accept any gifts of tangible personal property considering 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 Policy.* Junior Achievement of Arizona will accept gifts of life insurance where Junior Achievement of Arizona 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.
- *Real Estate, Retained Life Estates.* All gifts of real estate, including retained life estates, are subject to review by the FAC. Prior to acceptance of any gift of real estate other than a personal residence, Junior Achievement of Arizona shall require an initial environmental review by a qualified environmental firm, to be paid for by the donor. If the initial review reveals a potential problem, Junior Achievement of Arizona 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?
- *Closely Held Securities.* All gifts of closely held stock, limited liability company interest, partnership interests, or other securities that are not publicly traded are subject to review by the FAC.
- *Gift Annuities.* A charitable gift annuity is an agreement in which an individual transfers assets to a charity in exchange for a lifetime income stream and a tax benefit. Gift annuities are subject to review by the FAC and may be required to be made through a third party.
- *In-Kind Gifts* – In-kind gifts of goods and/or services that further the mission of Junior Achievement of Arizona will be accepted and the donor may be requested to provide an appraisal or in writing the fair market value of the in-kind gift. Consideration will be given to the potential costs, implications, usefulness, and responsibilities associated with acceptance of the in-kind gift.

DEFINITIONS

Gift - A voluntary transfer of property or of a property interest from one individual or entity to another, made gratuitously to the recipient. The individual or entity making the gift is known as the donor, and the individual or entity receiving the gift is called the donee.