REDWOOD EMPIRE FOOD BANK

Gift Acceptance Policy

Introduction

This policy was adopted by the Board of Directors of Redwood Empire Food Bank (REFB) to provide procedures for the acceptance of donor gifts. This revision to the policy supersedes any and all prior actions and policies regarding gift acceptance.

Policy Philosophy Statement

The primary goal of this policy is to ensure that all gifts accepted are aligned with the Donor's intended goals, support the mission of REFB, and protect REFB from accepting gifts that could cause harm to the Organization. The Organization shall not accept gifts that:

- Violate the terms of REFB's organizational documents;
- Would jeopardize REFB's status as an exempt organization under federal or state law;
- Are too difficult or expensive to administer;
- Are for purposes that do not further REFB's objectives; or
- Could damage the reputation of REFB.

Purpose

To provide direction and oversight of the solicitation and acceptance of gifts by REFB. This Policy includes: (a) guidance for REFB's Board of Directors, officers, staff and other constituencies with respect to their responsibilities concerning gifts to REFB; (b) guidance in evaluating the risks, costs, and benefits of a proposed gift; (c) guidance in accepting, rejecting, and negotiating gifts, and (d) establishing consistent gift documentation and recognition guidelines.

All gifts shall be managed in accordance with applicable law, including the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted in California. This Policy shall be governed by the laws of the State of California.

The provisions of this Policy shall apply to all gifts received by REFB. Notwithstanding the foregoing, the Board of Directors reserves the right to revise or revoke this Policy at any time, and to make exceptions to the Policy. The Board of Directors shall approve any exception, which shall be documented in the minutes and include the rationale for the exception.

Responsible Parties

Board of Directors

The Board of Directors (Board) maintains ultimate oversight of all decisions affecting the REFB. The Board has delegated supervisory authority for the management of institutional

funds, including the acceptance of contributions, to the Finance Committee. Notwithstanding this delegation, the Board retains fiduciary responsibility and shall ensure that all contributions are accepted and managed in a manner consistent with its obligation to safeguard and properly steward the REFB's assets.

Finance Committee

With respect to the acceptance of contributions, the Finance Committee is responsible for reviewing and approving or declining gifts in accordance with this policy. The Finance Committee has authority for approving all gifts requiring Board approval or review though may, at its discretion, request full Board review if deemed appropriate. The Finance Committee shall review the Gift Acceptance Policy no less than biennially and recommend revisions to the Board as appropriate.

REFB Management

REFB Management is responsible for the day-to-day administration and implementation of policies established by the Board of Directors and/or the Finance Committee relating to the acceptance and management of contributions. The Chief Development Officer shall have primary responsibility for ensuring compliance with and execution of the guidelines set forth in this policy.

Gift Acceptance Guidelines

Adherence to all REFB Policies

The solicitation and acceptance of all gifts will follow REFB policies, including the Endowment Policy, the Employee Handbook, the Conflict of Interest Policy, and the Document Retention and Destruction Policy.

Use of Legal Counsel, Legal Fees and Other Professional Fees.

REFB shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

1. Closely-held stock transfers that are subject to restrictions or buy-sell agreements.
2. Gifts of interests in partnerships, limited liability companies or similar entities.
3. Gifts involving contracts, such as bargain sales or other documents requiring REFB to assume any obligation (including any obligation regarding the management or administration of any asset or gift agreement).
4. Transactions with potential conflict of interest that may invoke IRS sanctions.
5. Gifts of interests in life insurance contracts.
6. Transactions involving the transfer of any interest in real property, especially encumbered real property. In particular, REFB's counsel may review any qualified appraisal, environmental audit, evidence of title, Property Disclosure Form, proposed transfer instrument, and any proposed agreement or arrangement pertaining to the property.
7. Pledge agreements for material amounts.
8. Other instances in which use of counsel is deemed appropriate by REFB's management, Finance Committee, or Board of Directors.

Non-standard gifts

In order to avoid any conflicts or potential conflicts of interest, REFB should encourage prospective donors to seek the assistance of their own legal and/or financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Under no circumstances will the REFB staff provide, or appear to provide, advice to donors regarding tax or estate planning matters.

Gifts requiring Outside Services

Legal Fees, Other Professional Fees, and Related Expenses Incurred in Completing the Gift may be required:

1. Appraisal. If required, the donor will be responsible for obtaining a qualified appraisal and/or appraisal summary in compliance with the IRS regulations for the purpose of establishing the value of the gift to determine the charitable benefit to REFB and for federal income tax purposes, including the preparation of Form 8283 ("Noncash Charitable Contributions"). See Treas. Reg. § 1.170A-13(c). A qualified appraisal will be required for any gift of art valued at more than $5,000.
2. Commissions. Prior to acceptance of any gift, REFB and the donor must agree in writing on arrangements for paying commissions or other expenses directly related to completing the gift. REFB will not advance funds for such expenses.
3. Donor Expenses. Unless approved by CEO, the REFB will not pay for legal assistance, appraisals or other services on behalf of the donor.
4. REFB's Legal and Professional Fees. Ordinarily, when REFB chooses to engage the services of legal counsel or other professionals for assistance with evaluating and/or structuring any proposed gift from a donor to REFB, or any proposed gift agreement between a donor and REFB, REFB will pay such professionals from its own funds. REFB, however, reserves the right to require a donor to pay, or agree to pay, all or a portion of such fees as a condition of its consideration of the acceptability of any such gift.

Approval, Acceptance, Refusal, and Administration of Specific Types of Gifts

The following types of gifts are accepted without Finance Committee review:

1. Unrestricted gifts of cash: Unrestricted gifts of cash are acceptable in any form. Checks shall be made payable to the REFB. The Chief Development Officer or Chief Executive Officer must be notified of all cash gifts in excess of $50,000 prior to processing such gift.
2. Unrestricted Marketable Securities: Unrestricted marketable securities will be transferred to one or more accounts maintained by REFB at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. All securities will be sold upon receipt and the funds will be managed in accordance with REFB's Short-Term Reserve Fund policy. If the marketable securities are restricted by applicable securities laws, approval by the Finance Committee is required (see section below).
3. Cryptocurrency: All contributions made by cryptocurrency will be immediately liquidated through The Giving Block. The Chief Development Officer and the Chief Financial Officer must be notified prior to acceptance of gifts of this payment type.

4. Restricted gifts of cash: Such gifts typically come in the form of grants or cultivated gifts for specific purposes. Restricted gifts of cash other than expected grants must be approved by the Chief Development Officer prior to acceptance. If the restricted gift does not support current programs, projects, or initiatives, approval by the Finance Committee is required (see section below). Refer to the Endowment Policy for guidelines on accepting gifts with principal restrictions.
5. Bequests: Donors may make bequests to REFB under their wills and trusts. A bequest will not be recorded as a gift until the gift is irrevocable and the estimated fair value is determined. When the gift is irrevocable, but is not due until a future date, the gift will be recorded in accordance with GAAP.
6. Retirement Plan Beneficiary Designations: Donors may name REFB as beneficiary of their retirement plans and the REFB may accept designations as beneficiary of a donor's retirement plan(s). Designations will not be recorded as gifts until the gift is irrevocable and the estimated fair value is determined. When the gift is irrevocable, the gift will be recorded in accordance with GAAP.
7. Life Insurance (irrevocable) without future payments required: Donors may name REFB as beneficiary or contingent beneficiary of their life insurance policies. The life insurance policy will be recorded as a gift once REFB is named as both beneficiary and irrevocable owner of a life insurance policy in accordance to GAAP.

Certain non-standard gift types are subject to Finance Committee's review prior to acceptance. Non-standard gifts will be reviewed by REFB management, then the Chief Executive Officer will present recommendations to the Finance Committee for further discussion prior to acceptance. Non-standard gifts subject to review by the Finance Committee include the following, which is not inclusive of all gift types the REFB may receive:

1. Restricted Gifts: Restricted gifts that do not support current programs, projects, or initiatives. The CEO will provide recommendations for acceptance or rejection of such gifts.
2. Tangible Personal Property: The decision to accept gifts of tangible personal property will take into consideration the following factors:
    a. Whether the property furthers the mission of the REFB;
    b. The marketability of the property;
    c. The restrictions on the use, display, or sale of the property; and
    d. Carrying costs and possible liability for the property.
3. Real Estate: Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest.
    a. Environmental Review: Prior to acceptance of real estate, the Finance Committee shall require a Phase I environments site assessment (if warranted) of the property to ensure that the property has no environmental problem. If the initial inspection reveals a potential problem, the donor shall retain a qualified inspection firm acceptable to the Finance Committee to conduct an environmental audit. The cost of the environmental audit shall be an expense of the donor.
    b. Title Report/Title Insurance: A preliminary title report shall be obtained by the donor and reviewed by the Board of Directors prior to the acceptance of any gift of real property. A title insurance policy shall be obtained by the donor at

the donor's expense naming REFB as the insured in all cases in which the Board of Directors, after reviewing the preliminary title report, deems that appropriate.

c. Factors for Acceptance: The Finance Committee and legal counsel shall review and decide whether to accept real property based on the following factors:

   i. Whether the property is useful for the purposes of REFB;

   ii. The marketability of the property;

   iii. Any encumbrances, leases, restrictions, reservations, easements, or other limitations associated with the property;

   iv. Any carrying costs associated with the property, including insurance, property taxes, mortgages, notes or other costs;

   v. Any concerns which the environmental audit revealed.

4. Remainder Interests in Property: REFB may accept a remainder interest in a personal residence, farm, or vacation property subject to the above Real Estate provisions. The donor or other occupants may continue to occupy the real property for the duration of the stated life estate. At the death of the last living life tenant, REFB may use the property or reduce it to cash. Expenses for maintenance, real estate taxes, and any property indebtedness shall be paid by the donor or primary beneficiary during all periods prior to the vesting of fee title in REFB.

5. Charitable Remainder Trusts: REFB may accept designations as remainder beneficiary of a charitable remainder trust. REFB shall not accept appointment as trustee of a charitable remainder trust.

6. Charitable Lead Trusts: REFB may accept designations as lead (income) beneficiary of a charitable lead trust. REFB shall not accept an appointment as trustee of a charitable lead trust.

7. Charitable Gift Annuities: REFB may accept designation as a charitable beneficiary under a charitable gift annuity. REFB will not issue charitable gift annuities directly.

8. Life Insurance (Revocable): Donors may name REFB as beneficiary or contingent beneficiary of their life insurance policies. The life insurance policy will be recorded as a gift once REFB is named as both beneficiary and irrevocable owner of a life insurance policy. Designations will not be recorded as gifts until the gift is irrevocable. Where the gift is irrevocable, the gift shall be recorded in accordance with GAAP. If the donor contributes future premium payments, REFB will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy required to maintain the policy in force, the REFB may:

   a. Continue to pay the premiums;

   b. Convert the policy to paid up insurance, or

   c. Surrender the policy for its current cash value.

Additional Provisions

1. Gift Agreements: Where appropriate, REFB shall enter into a written gift agreement with the donor setting forth the terms and conditions of any restricted or otherwise designated gift. Such agreements may include provisions regarding the purpose of the gift, payment schedule (if applicable), donor recognition, modification of restrictions, and other terms necessary to ensure clarity and compliance with REFB policies and applicable law.

   Gift agreements shall be initiated and prepared by REFB and provided to the donor for review, discussion, and mutual agreement prior to execution.

2. Pledge Agreements: Acceptance by REFB of pledges by donors of future support of REFB (including by way of matching gift commitments) shall be contingent upon the execution and fulfillment of a written charitable pledge agreement specifying the terms of the pledge, which may include provisions regarding donor recognition. In general, pledge agreements shall be drafted to be legally enforceable to the extent permitted by law. Acceptance of any pledge or commitment for future support (including matching gift commitments) shall be contingent upon the execution of a written charitable pledge agreement specifying the material terms of the commitment, including the total pledged amount, payment schedule, any applicable restrictions, and recognition provisions.

   Pledge agreements shall be initiated and prepared by REFB and provided to the donor for review, discussion, and mutual agreement prior to execution. Pledge agreements shall be drafted to be legally enforceable to the extent permitted by law. Pledges shall be recorded in accordance with GAAP when legally enforceable and measurable. Conditional pledges shall not be recorded as revenue until conditions are substantially met.

3. Quid Pro Quo Contributions: Per IRS requirements, donors making payments to the REFB for a combination of donation and goods or services (e.g. charity gala tickets, dinners) will receive a written disclosure statement stating the fair market value (FMV) of the goods or services and the tax-deductible portion of the payment.

4. Donor Advised Funds Contributions: Contributions accepted from donor's DAF accounts will follow the IRS guidelines. Funds cannot be used for pledge fulfillment, to purchase event tickets, or any goods or services.

5. Anonymous Gifts: All anonymous gifts will be managed per the instructions under the contribution type listed in this policy. For anonymous gifts where the donor is known but request anonymity, REFB shall respect the donor's request to the extent permitted by law. Anonymous donors shall be documented internally for audit and compliance purposes, but public recognition shall omit identifying information.

   Anonymous contributions where the donor is unknown, will be accepted provided the funds are from a financial institution that manages donor funds (such as donor advised funds or Community Foundations).

   Gifts from unknown sources will be reviewed by the Chief Development Officer to ensure the gifts meets the standards of this policy. If the gift is accepted, the review process will be documented within the donor database and approved by the Chief Executive Officer. The Finance Committee will be notified of anonymous gifts of this type in excess of $50,000.

6. Valuation of Gifts: REFB shall record gifts received at their valuation on the date of gift, except that, when a gift is irrevocable, but is not due until a future date, the gift may be recorded at the time the gift becomes irrevocable in accordance with GAAP.
7. Refusal of Gifts: REFB reserves the right to decline any gift, whether outright or conditional, that it determines, in its sole discretion, is inconsistent with its mission, values, policies, or best interests. Gifts may be refused for any reason, including but not limited to: lack of alignment with REFB's mission or strategic priorities; unacceptable restrictions; undue administrative burden; excessive cost associated with acceptance; illiquidity; potential legal, financial, tax, or regulatory concerns; conflicts of interest; reputational risk; or any circumstance that could expose REFB to liability. When a gift is declined, REFB will respectfully communicate its decision and, where appropriate, suggest alternative ways the donor may support the mission. The Finance Committee will be notified of gifts refused greater than $5,000. Finance Committee approval is required for gifts greater than $25,000.
8. IRS Filings upon Sale of Gifts: To the extent applicable, REFB shall file IRS Form 8282 upon the sale or disposition of any charitable deduction property sold within three (3) years of receipt by REFB. "Charitable deduction property" means any donated property (other than money and publicly traded securities) if the value claimed by the donor exceeds $5,000 per item or group of similar items donated by the donor to one or more organizations (e.g., the property listed in Section B on Form 8283). REFB shall file this form within 125 days of the date of sale or disposition of the asset.
9. Donor Recognition: Recognition other than the REFB annual report will be either determined under the provisions of a particular campaign or event or as recommended by the Chief Development Officer and approved by the Chief Executive Officer. Recognition practices shall be applied consistently and at the discretion of REFB. The Finance Committee will be notified of non-traditional donor acknowledgements. If an error is identified in a gift recognition, the error will be promptly corrected, and the donor shall be notified to the extent that the donor was affected. Any public recognition shall be corrected as soon as reasonably practicable.
10. Naming Opportunities: All naming opportunities will be created by the REFB and align with the guidelines of this policy. In general, endowment naming shall continue for the duration of the fund and campaign naming may conclude at the campaign completion. All naming opportunities must be documented in writing with the duration of the naming specified and the condition under which the naming recognition may be revoked. REFB reserves the right to revoke naming recognition if continued association would harm the organization's reputation. The Finance Committee will be notified of all naming opportunities that are non-traditional or with duration greater than three years.
11. Donor Restriction Modification: If a restriction becomes unlawful, impracticable, impossible to achieve, or inconsistent with REFB's mission, the Finance Committee may modify such restriction in accordance with applicable law.
12. Source of Funds Review: REFB reserves the right to conduct due diligence to ensure that gifts are not derived from illegal activity and do not expose REFB to reputational or regulatory risk.
13. Donor Privacy and Confidentiality: REFB shall not sell, trade, or share donor personal information with third parties except as required by law or necessary for operational

purposes (e.g., payment processing). Access to donor records shall be limited to authorized personnel.

Gift Administration

1. Trustee: Neither REFB nor any member of its staff will act as trustee of any trust intended to create a gift for the benefit of REFB, regardless of the form or type of trust involved, unless such trust is established by such REFB staff member or a family member of the REFB staff member who may act as trustee.
2. Executor/Administrator: Neither REFB nor any member of its staff will act as the executor or administrator of any donor's estate, unless it is the estate of a family member of the member of REFB's staff who may act as executor or administrator.
3. Exemption: REFB will not seek exemption from real property taxes for donated real property interests except when the exemption is for the benefit of REFB.
4. Appraisals: Any necessary appraisals of gift property (regardless of the type of property) will be obtained and paid for by the donor. Exceptions to this policy require Finance Committee approval.
5. Valuation: REFB will not establish or corroborate the value of any donated asset for the purpose of substantiating the donor's income tax charitable deduction.
6. Expenses: REFB will not assume liability for paying expenses related to any donated asset prior to the time REFB has complete and unrestricted ownership of the donated asset.
    a. REFB will not be responsible for paying, or arranging for the payment of, taxes, mortgage income and/or principal, utilities or insurance on any donated interest in real property.
    b. REFB will not be responsible for paying or arranging for the payment of premiums or any other charges on any life insurance policy of which REFB is an owner and/or a beneficiary except as described under Non-Standard Gift Type (#8).
    c. REFB will not assume responsibility for maintenance, repair or upkeep of any donated interest in real property or tangible personal property, including costs of storage and/or insurance of any such tangible personal property.
    d. In certain cases, involving significant costs of ongoing ownership, REFB may require the donor to arrange for payment of certain costs of ongoing ownership even after the time REFB has complete and unrestricted ownership of the donated asset.

Gift Documentation Guidelines

Proper gift documentation ensures accurate, timely, and compliant recording of all gifts received by the REFB. Donors will receive the acknowledgement for each gift received or in a single end of year statement, based on their preference. Donor acknowledgements shall:

- Align with the Internal Revenue Service (IRS) requirements as outlined in Publication 1771. Acknowledgements may be by receipt, letter, or email and contain the following information:
    - name of donor with address (if known)
    - name of the organization
    - amount of cash contribution
    - date contribution received
    - description (but not value) of non-cash contribution
    - statement that no goods or services were provided by the organization, if that is the case
    - description and good faith estimate of the value of goods or services, if any, that organization provided in return for the contribution
    - statement that goods or services, if any, that the organization provided in return for the contribution consisted entirely of intangible religious benefits, if that was the case.
- All gifts shall be recorded in REFB's donor database and financial system in accordance with Generally Accepted Accounting Principles (GAAP). Gifts shall be recorded as of the date received by mail, electronic funds transfer, or date control received of non-cash assets. At the beginning of each calendar year, the recording of gifts received by mail will be by the US Mail postmarked date to align the donor gift date with the tax year.

The REFB shall promptly address any identified corrections and adjustments in the donor record. The donor shall be notified if the error affects their tax acknowledgment.

ADOPTION

This policy shall be adopted by resolution of the Board of Directors of the Redwood Empire Food Bank.

Approved by the Board of Directors of the Redwood Empire Food Bank on 4/22/2026,

Signature of the Board Secretary

5/27/2026
Date

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Version Control

Date	Author	Version	Change Description
10/21/2015	Rebecca Lalonde (BOD member)	1.0	Initial version
04/14/2026	Paula Handelman, CFO	1.1	Full revision to ensure policy aligns with industry best practice and current operating requirements.