**re:MIND Gift Acceptance Policy**

The Gift Acceptance Policy is designed to establish a standard policy for the solicitation and acceptance of outright gifts, planned gifts and testamentary gifts created by bequest.

1. **AUTHORIZATION**

It is the policy of The Board of Directors (the “Board”) of re:MIND to encourage donors to make outright, planned and testamentary gifts. Planned and testamentary gift types include bequests, charitable gift annuities, charitable remainder trusts, charitable lead trusts, retained life estates, gifts of life insurance or retirement assets, interest in business entities such as partnerships or closely-held stock, and such other gift arrangements as the Board may from time to time approve. The purposes of all gifts to re:MIND must relate to the mission of re:MIND. It is the responsibility of the staff (the “Staff”) of re:MIND to carry out this policy adopted by the Board.

It is the responsibility of the President/CEO of re:MIND to prepare standard forms for agreements with donors and to ensure that all gifts are received in a manner consistent with the approved gift acceptance policies.

1. **GIFT ACCEPTANCE POLICIES & RESTRICTIONS**

The policy of re:MIND is to inform, serve, guide and otherwise assist donors who wish to support re:MIND. All information concerning donors and prospective donors shall be held in strict confidence by the Staff and Board of re:MIND, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or prospective donor will be honored or allowed only if permission is obtained from the donor prior to the release of such information.

* All prospective donors will be informed that in making a gift to re:MIND, it is irrevocable and they give up all right, title, and interest to the assets contributed.
* The Staff of re:MIND shall advise the donor that it is the donor’s responsibility to obtain any necessary appraisals that would be required for a non-marketable gift to re:MIND.
* re:MIND will not serve as a trustee for charitable remainder or charitable lead trusts.

* re:MIND will not accept charitable gift annuities.
* re:MIND will not accept gifts that are directly or indirectly restricted by a donor through a material restriction or condition that prevents re:MIND from freely and effectively employing the transferred assets, or the income derived there from, in furtherance of re:MIND’s exempt mission.
* re:MIND will not accept gifts that jeopardize its tax-exempt status and reserves the right to decline any gift that it believes is not in the best interest of the re:MIND.
* It is re:MIND’s intention to properly acknowledge all completed gifts within two business days.
* With the exception of CDs, re:MIND’s policy is to sell marketable assets upon as soon as possible after the settlement date.
1. **PROCEDURES FOR REVIEW OF GIFTS**

 Donors may choose to make a contribution to a re:MIND with avariety of marketable assets listed below:

* Brokerage held marketable securities (with or without restrictions)
* Mutual Fund shares
* Cash
* Checks
* CDs
* Charitable remainder trusts, charitable lead trusts, if funded with cash or publicly traded securities

The following outlines the acceptance policy for certain of the above mentioned assets:

* Brokerage held marketable securities

Ownership of marketable securities (stocks or bonds) that are held in “street” name is easily transferable. The donor should send a Letter of Authorization (LOA) to his or her financial advisor (with a copy to re:MIND) that includes the following information:

1. Name and number of shares of the securities to be transferred
2. Name of the re:MIND fund to be credited
3. re:MIND’s custodian’s name, DTC number and re:MIND’s account number
4. re:MIND’s address and telephone number

The value of the gift is assigned based on the average price (i.e., highest trading price + lowest trading price divided by 2) on the date the securities are delivered into re:MIND’s account (Treas. Reg. §1.170A-1(b)). A reliable pricing source is used in determining the average price of the stock. Some thinly traded stock may not trade every day. Should stock be received that does not trade on the date of delivery, the value will be assigned based on the average price the next day on which it does trade.

In the event that the timing of the receipt of a gift is critical (e.g., year-end), re:MIND may, at its discretion, take constructive receipt, in writing, before the actual transfer is affected. The President/CEO or Director of Development must agree to the transaction before the critical date arrives.

* Donor held marketable securities

Stock certificates or bonds that are mailed should be sent via registered mail (unendorsed). A signed Irrevocable Stock or Bond Power should be sent under separate cover. Hand delivered securities should also be unendorsed and accompanied by a signed Irrevocable Stock or Bond Power. re:MIND will provide the donor with an acknowledgement of receipt of the securities. The securities and the Irrevocable Stock or Bond Power will be delivered to re:MIND’s custodian. The date of mail receipt or hand delivery of these securities to re:MIND will determine the gift valuation date.

* Gifts of restricted stock

Since these restrictions can take many forms, each gift of restricted stock will be handled on a case-by-case basis. In general, the gift valuation date is the date that the securities are registered, received and/or transferred into re:MIND’s name or account. However, the valuation of the donor’s fund balance will be based on the proceeds from the sale of the stock. A gift of restricted stock with a “legend” that cannot be removed for a specified period of time may be sold at a discount that in turn lowers the value of the gift. Therefore, when stock carrying this type of restriction is received by re:MIND, an appraisal (or some other accepted form of valuation) must accompany the gifted stock for charitable gift and valuation purposes. In the case of this type of restricted stock, the valuation of the donor’s fund balance will be based on the appraised value of the stock.

* Mutual funds

Donors wishing to donate mutual funds should authorize the fund manager to transfer the shares to a re:MIND account. If re:MIND does not have an account with the fund manager, individuals authorized by the Board to transact business for re:MIND are permitted to open an account at the fund management company. Upon delivery to re:MIND’s account, the shares will be sold and the fund manager will be requested to send re:MIND a check for the proceeds. The value assigned to the gift is the cash proceeds from the sale.

* Certificates of Deposit

The same procedures as those for brokerage held marketable securities apply to the transfer of CDs to re:MIND. The value assigned to the gift is the face value of the CD. After accepting a CD as a gift, re:MIND will consult with the issuer as to whether or not the CD may be redeemed for cash with no penalty. If there is a penalty, the CD will be held to maturity. Those with no penalty will be redeemed and the cash invested in the custodial pool.

* Real Estate

Staff and the donor will meet to visually inspect and evaluate the property. Depending on the location of the property, this requirement maybe waived or conducted by an outside agent of re:MIND. A current (dated within 60 days) appraisal that complies with IRS regulations and a Phase 1 Environmental Site-Assessment (as a minimum requirement) on the property will be required by re:MIND before acceptance of the property with costs for both to be incurred by the donor. If the real estate is not to be liquidated, a charitable intent of the real estate gift must be established by the donor. The donor will provide evidence of title, a title commitment, copies of all listed exceptions to the title, evidence of any debt against the property and a current survey. If there is a building on the property, a report reflecting compliance of all applicable building, parking and paving, health and safety codes must be provided by the donor. Also, the donor will provide a report that states the building does meet code specifications on the structure, HVAC systems, and roof. The donor will provide insurance (both general liability and fire and casualty policies) on the property. The donor will provide all lease agreements on the property. Real property that is encumbered by a trust deed loan or mortgage will be accepted only in exceptional circumstances. Prior to acceptance of a gift of real property, re:MIND and the donor must agree, in writing, on arrangements for paying expenses associated with the property, including taxes and assessments, insurance coverage, and maintenance costs.

* Tangible personal property

Gifts of such assets as boats, airplanes, automobiles, artwork, furniture, equipment, jewelry, gems and metals valued in excess of $5,000 must be accompanied by a qualified appraisal. Automobiles valued at less than $10,000 will not be accepted. Unless the property is to be used in connection with re:MIND’s tax-exempt purpose, it will be sold at the highest possible price as soon as possible after conveyance. re:MIND discourages gifts of personal property which cannot readily be sold or which require unusual expenses prior to sale or if prohibited by the IRS. If a lengthy selling period is anticipated, re:MIND may ask the donor to cover such expenses with a cash gift. A completed IRS Form 8283 (“Noncash Charitable Contributions”) must accompany gifts of tangible personal property.

* Royalties, distribution rights

re:MIND may accept gifts of royalties or distribution rights on published works (such as books or films) where there is clear evidence of marketability or assurance of an income stream. A qualified appraisal is required. A completed IRS Form 8283 (“Noncash Charitable Contributions”) must accompany gifts of royalties or distribution rights.

* Oil, Gas and Mineral Interests

re:MIND may accept oil and gas property/royalty interests, when appropriate. Prior to acceptance of an oil and gas interest, the gift shall be approved by the Staff, and if necessary, by re:MIND’s legal counsel. Criteria for acceptance of the property shall include:

1. The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
2. A working interest will not accepted.
3. The property should undergo an environmental review to ensure that re:MIND has no current or potential exposure to environmental liability.
* Insurance policies and proceeds

Donors may transfer ownership of a paid-up policy to re:MIND and take a tax deduction for the interpolated terminal reserve (typically cash surrender value). Donors may transfer ownership of premium-due policies to re:MIND and make income tax deductible contributions in the amount of the premiums. In either case, re:MIND shall be the owner and permanent beneficiary of the policy and retain the policy in its offices. Contributions for premium-due policies must be made by direct payment to re:MIND at least ten days prior to the premium date. re:MIND cannot assume delinquent premium payments. If, at any future time, the donor elects not to continue making contributions required to cover the premium payments, the policy will be surrendered and the cash value will be put in re:MIND's account. Paid-up policies of any value may be accepted by re:MIND. Premium-due policies must have a minimum cash value of $10,000. Donation of policies or annuities written for a year-end tax purpose must have a certifiable date from the insurance company to be a qualified donation for that tax year. re:MIND does not enter into charitable reverse split dollar agreements, nor will it endorse any specific insurance product, company, or agent.

* Retirement assets

“Account” type retirement plans, in which a balance accumulates as principal, may be gifted to re:MIND. These include Individual Retirement Accounts (IRA), 401(k), 403(b), and defined contribution plans. (“Annuity” plans, such as defined benefit plans, in which retirement benefits are paid out as income and principal does not accumulate, generally cannot be used for charitable gifts). Methods for gifting retirement assets include:

1. Naming re:MIND as successor or contingent beneficiary for all or part of the assets upon death of either the retirement asset owner or spouse;
2. Creating a testamentary charitable remainder trust with the assets upon the death of the asset owner, naming re:MIND as remainder beneficiary and non-charitable heirs as income beneficiaries
* Remainder Interests in Property

re:MIND will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of paragraph six above. The donor or other occupants may continue to occupy the real property for the duration of the stated life or lives. Upon termination of the life income interest(s), re:MIND will reduce it to cash. Where re:MIND receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary, according to the terms of a written agreement between the donor(s) and Foundation executed at the time of the gift.

1. **Interests in business entities (i.e., closely held securities, partnership interests, and interests in limited liability companies)**

Donors may make gifts of interests in business entities (i.e., closely held marketable securities, partnership interests, interests in limited liability companies, S Corp or C Corp stock). These can be accepted if re:MIND assumes no liability in receiving them. Gifts requiring review and/or use of legal counsel may include the following:

* Interests in business entities (i.e., closely held securities, S Corp and C Corp stock, partnership and limited liability company interests) where, in the opinion of Staff, there may be concerns about the following: valuation, long-term disposition, income production, capital call requirements, business partners, charitable intent, requirements or limitations, the possibility of re:MIND receiving unrelated business taxable income, tax deductibility or other questions which indicate that a review is necessary
* Closely held stock transfers that are subject to restrictions or buy-sell agreements, or publicly-traded securities subject to sale restrictions
* Gifts involving contracts, such as bargain sales or other documents requiring re:MIND to assume an obligation
* Transactions with potential conflict of interest that may invoke IRS sanctions
* Retained life tenancy in a residence, ranch or farm
* Arrangements where the donor receives fees for services to re:MIND
* Other property that may be unusual or fall outside the type of gifts usually handled by re:MIND, including tangible personal property unrelated to re:MIND’s charitable purpose.
* Life insurance policies for which future premium payments are required
* Other instances in which use of counsel is deemed appropriate by re:MIND

The donor will provide re:MIND with a completed IRS Form 8283 (“Noncash Charitable Contributions”) for many of non-marketable types of gifts. The donor will provide assurance that re:MIND will be held harmless in the event the entity becomes bankrupt or is otherwise unable to satisfy its obligations and assurance that re:MIND will be held harmless in the event the entity is sued. Any legal bills incurred to defend itself in any action relative to the gift will be paid by the donor.

A percentage interest in some of these type entities is, generally, gifted to re:MIND through an assignment agreement that has been reviewed and approved by re:MIND’s general counsel. The value of the assignment is determined by an independent appraisal of the assets. The donor pays the cost of the appraisal*.* re:MIND will engage an independent evaluation/CPA firm to review the methodologies, assumptions and conclusions of the appraisal and these costs are the responsibility of the donor.Depending on the law firm involved in the transaction, a confirmation agreement of the assignment may be, but is not always, executed following completion of the review of theappraisal.

With gifts requiring immediate action (e.g., gifts on December 31, or pending sale of property) and in the judgment of the President/CEO, in consultation with re:MIND’s general counsel, that gift may be accepted as long as the gift in no way jeopardizes re:MIND’s tax exempt status.

1. **PLANNED AND TESTAMENTARY GIFTS**
2. **Planned Giving Program**

re:MIND’s planned and testamentary giving program encompasses all forms of gifts whose benefits do not fully accrue to re:MIND until some future time (such as the death of the donor or other income beneficiaries or the expiration of a predetermined period of time), or whose benefits to re:MIND are then followed by the interests of non-charitable beneficiaries.

1. **Bequests**

Bequests may be from a will or trust and may be specific or contingent in nature.

Representatives of re:MIND are authorized to solicit direct testamentary charitable contributions through wills or trusts, as well as testamentary contributions to establish gift annuities and charitable remainder and lead trusts. Advice offered by representatives of re:MIND must be accompanied by a recommendation that the prospect consult his/her own attorney and/or tax counsel.

A bequest through will or trust to re:MIND should include the following:

* The name of the Depression Bipolar Support Alliance of greater Houston, a Texas not-for-profit corporation, with principal offices in Houston, Texas.
* The name of the fund to which the bequest is made (this may be a new or existing fund). In the case of a new fund, re:MIND will, upon notification that the bequest has been included in a will or trust, prepare a separate fund agreement defining the purpose for which the fund has been created.
1. **Charitable Remainder Trusts**

1. Description: Unitrusts

The Standard Unitrust provides for payment to the donor and/or beneficiary of an amount equal to a set percentage of fair market value of the assets of the trust, valued annually. The percentage is determined at the time the trust is created, is stated in the trust, and is permanent. The payout rate must equal no less than 5% of the fair market value of the assets placed in the trust when it is created, as specified in the IRS Code. If the annual income and/or realized capital gains do not equal the committed unitrust percentage, principal is used to supplement the short fall. If there is any excess income or appreciation in excess of the stipulated payment, it is added to the principal. Additional contributions may be made to unitrusts. In accordance with IRS Code, the present value of the remainder interest must be equal to or greater than 10% of the original contribution to the trust.

A variation of the basic unitrust, known as the Net Income with Make-up Unitrust, may also be used. When the trust is created, it includes a provision which defines the unitrust’s payments to be the lesser of the specified pay out rate or the actual annual income generated from the investments in the unitrust. In subsequent years, any income generated from the unitrust in excess of the specified payout percentage is used to make up any deficit from previous years and is paid to the income beneficiary/donor prior to being added to the unitrust corpus. The unitrust can also be structured to be a Net Income Unitrust. In this case, the payout is made from income only, principal is not accessed for income payout, and payment deficiencies may not be made up in subsequent years.

Another variation is known as the Flip Unitrust. A Flip Unitrust starts as a Net Income Unitrust or a Net Income with Make-up Unitrust. Upon the occurrence of certain specified events (e.g., a specific date, sale of real property, etc.), a flip unitrust “flips” to function as a Standard Unitrust.

2. Description: Annuity Trusts

The donor and/or beneficiary receives annually a payout that is fixed irrevocably at the time of the gift and stated in the trust agreement. In accordance with IRS Code, the payout must equal at least 5% of the fair market value of the assets placed in the trust when it is created. Income in excess of the annual payment is added to principal. If the income in any year is less than the annual payment, the difference is derived from realized capital gain or principal. Additions may not be made to annuity trusts.

The IRS also requires that the present value of the remainder interest must be equal to or greater than 10% of the original contribution to the trust.

3. Policy

a) The Staff is authorized to solicit gifts in the form of Charitable Remainder Trusts. The Staff will consult with the donor, the donor’s legal, tax and financial advisors, as appropriate, and with the individual or institution identified to serve as trustee of the trust to determine the appropriate rate of payment and other trust terms for each donor’s particular circumstances.

b) Donors who elect to self-trustee must be informed of the administrative and tax reporting responsibilities entailed by their trusteeship. The Staff may provide information on vendors providing administrative and tax reporting services.

c) It is preferred that a separate written agreement regarding the use of the remainder interest be executed prior to or in conjunction with the execution of the trust agreement.

d) Any sample trust agreements provided by re:MIND to the donor shall be accompanied by a letter indicating that the sample does not constitute legal advice and strongly advising that the donor seek legal counsel prior to completing the trust.

1. **Charitable Lead Trusts**

1. Description

Income earned from the assets within the charitable lead trust is donated for a period of years, or for the remaining life of the donor or beneficiary. The remainder interest is either retained by the donor or given to a non-charitable beneficiary. A contribution of the income generated from the assets within the trust must be in the form of either an annuity or unitrust interest.

1. Policy The Staff is authorized to solicit gifts for charitable lead trusts. The donor may select any annuity or unitrust payout percentage.

a) Any sample trust agreements provided by re:MIND to the donor shall be accompanied by a letter indicating that the sample is not a completed legal document and strongly advising that the donor seek legal counsel prior to completing the trust.

b) The Staff will discuss with the donor in advance of the execution of the trust documents the fund or funds to which the charitable income interest will be directed upon establishment of the trust. It is preferred that a separate written agreement regarding the use of the remainder interest be executed prior to or in conjunction with the execution of the trust agreement.

**The Executive Committee must approve any exceptions to this policy in writing.**