



## Gift Acceptance Policy

### Purpose of Policy

The Chicago Lighthouse ("The Lighthouse") through its Board of Trustees and staff solicit current and deferred gifts from individuals, corporations, foundations, and government entities to fulfill the mission of The Lighthouse and to secure its future growth.

This Gift Acceptance Policy ("Policy") shall govern the acceptance of gifts by The Lighthouse. This Policy shall apply to all gifts received by The Lighthouse for any of its programs and establishes guiding principles for Lighthouse staff involved with soliciting and accepting gifts, for outside advisors who assist in the gifting and gift planning process, and for prospective donors who wish to make gifts to The Lighthouse.

The Advancement Department (or its equivalent) may, from time to time, adopt various procedures to assist in the implementation of this Policy, subject to review and approval by the Board of Trustees' Advancement Committee.

The Advancement Committee, subject to the oversight of the Board of Trustees, shall have primary responsibility for the matters addressed by this Policy.

## A. Responsibility to and Rights of Donors

1. The Lighthouse shall at all times deal in a fair and equitable manner with every donor or prospective donor, and all Lighthouse staff involved in the solicitation or negotiation of gift agreements shall strive to achieve an arrangement that is beneficial to both The Lighthouse and to the donor. Lighthouse staff shall inform, guide, and assist in fulfilling the donor's wishes and intent, but shall never place any undue persuasion or pressure upon the donor.
2. The Lighthouse shall steward donors in a manner consistent with industry best practices and as stipulated in any agreement associated with a gift.
3. All Lighthouse fundraising staff shall use their best judgment to help donors make appropriate gifts to The Lighthouse. Fundraising staff shall be knowledgeable about gift acceptance and fundraising and disclose to the donor known advantages and disadvantages that could reasonably be expected to influence the decision of the donor to make a gift to The Lighthouse.
4. The Lighthouse shall urge all prospective donors to seek the assistance of their own personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning benefits.
5. No Lighthouse staff shall (a) furnish property appraisals or valuations to donors or (b) knowingly participate in a transaction in which the value of a gift is inflated above its true fair market value to obtain a tax advantage for a donor.

6. In accordance with the requirements of the United States Internal Revenue Code and related regulations, The Lighthouse shall maintain proper records, issue required receipts to donors, and provide necessary reports to the Internal Revenue Service (“IRS”) regarding gifts to The Lighthouse. To the extent that donors are responsible for completing their own IRS forms, The Lighthouse shall provide necessary supporting documents in a timely manner.
7. The Lighthouse honors requests for anonymity to the fullest extent possible. The Lighthouse will strive to respect such a request, provided that anonymity would not conceal a real or perceived conflict of interest, or raise any other ethical or legal concerns. Names of donors and general giving levels may be published by The Lighthouse in lists of donors in various publications, online, and on donor plaques. However, any donor has the right to be anonymous and may be so by directing The Lighthouse in written instructions. Notwithstanding the preceding, The Lighthouse shall be permitted to make such information available to its staff, contractors, subcontractors, vendors, or other parties as necessary to complete specific projects, to disclose such information with the donor’s consent, or as required by law.

#### B. Fundraising Guidelines

The Lighthouse raises funds to support its mission and grow its charitable assets. The fundraising program includes, but is not limited to, cultivating individual donors, corporations, foundations, and national organizations, and maintaining close contact with volunteers. Fundraising programs serve to broaden awareness of The Lighthouse and grow its support base, employing a range of methods to raise funds.

1. Fundraising Program. The Lighthouse holds its staff, volunteers, consultants and other agents to high standards for maintaining a professional fundraising program that incorporates best fundraising practices.
2. Agency. The CEO or his/her designee is hereby authorized, within the limitations of this Policy and other applicable Lighthouse policies and procedures, to negotiate the terms, conditions, and designation of gifts and pledges and to accept, accept in part, or reject such gifts for the general philanthropic activity of The Lighthouse.
3. Authorization for Fundraising Activities. Any Lighthouse staff, other than authorized fundraising staff, wishing to solicit gifts or negotiate with donors may only do so with the direct involvement of authorized fundraising staff and must involve fundraising staff in potential donations as soon as possible.
4. No Provision of Legal and Financial Advice. Lighthouse staff shall not offer legal or tax advice to donors or prospective donors. Illustrations of and calculations regarding any possible financial, tax or estate planning benefits of any proposed gift shall state that The Lighthouse does not render legal, accounting or other professional advice related to such gift, and that any such calculations or illustrations should be shared with appropriate legal or financial counsel of the donor.
5. Documentation. Gifts shall be memorialized in a signed written document whenever practicable. Signed writings are required for all restricted gifts, endowment gifts, gifts and pledges contingent on future events or undertakings or that require The Lighthouse to first meet some condition(s) or objective(s), transfers of real or

intangible property, and gifts that are expected to take more than one (1) year to complete.

6. Legal Compliance. The Lighthouse shall make every effort to comply with state and federal laws, rules, and regulations pertaining to fundraising, make reasonable efforts to keep abreast of changes in relevant laws, and promptly update practices, procedures, and this Policy as necessary to remain in compliance with the law.

- a. In compliance with IRS guidelines, The Lighthouse cannot accept gifts from nonprofit organizations or foundations in situations where a direct benefit is provided to the donor. Direct benefits include, but are not limited to event tickets, raffle tickets, auction items and Lighthouse merchandise. Specifically, a contribution from a donor advised fund or family foundation cannot be used for event tickets or sponsorship which provides ticketed benefits.

7. Rejection and Return of Gifts. The Lighthouse reserves the right to decline any proposed gift if it is determined to be inconsistent with The Lighthouse's mission, governing documents, or policies.

#### C. Forms of Gifts

1. Unrestricted Gifts. Unrestricted gifts are those that carry no designation by the donor that limits, or otherwise restricts, the use of the gift by The Lighthouse. Unrestricted gifts are generally preferred.
2. Restricted Gifts. Restricted gifts are those that carry a specific designation by the donor that limits, or otherwise restricts, the use of the gift by The Lighthouse. The Lighthouse may accept

restricted gifts if the restrictions are not overly burdensome or difficult to administer, contrary to The Lighthouse's mission, governing documents, and policies, or otherwise inappropriate. The Lighthouse cannot accept gifts whereby the donor retains control over the gift (e.g. restrictions that allow the donor to select scholarship recipients or that allow the donor control over the activities of Lighthouse programs).

3. Outright Gifts and Pledges. An outright gift is an immediate transfer of ownership; a pledge is a promise in written form to make a gift at a future date. The Lighthouse shall confirm all pledges in writing, including the total amount pledged and the pledge payment schedule.
4. Deferred Gifts. Deferred gifts are gifts that do not become due until a future date. The Lighthouse will accept deferred gifts including but not limited to bequests and gifts from wills and trusts and beneficiary designations under retirement plans and life insurance policies. Deferred gifts will be accepted and recorded in accordance with US Generally Accepted Accounting Principals and donors will not be given credit until the gift becomes irrevocable.
5. Conditional Gifts. Conditional gifts are gifts for which a future condition must be met, by The Lighthouse or by another party, for the transfer of the gift to become permanent. Conditional gifts will be accepted and recorded in accordance with US Generally Accepted Accounting Principals and donors will not be given credit for the gift until all conditions are met and the gift is complete. The Advancement Committee must review and approve conditional gifts before acceptance.

6. Planned Gifts. Planned gifts are gifts to be made in the future, usually at the death of the donor, which are not pledges but are embodied in financial and estate plans.
- a. The Lighthouse is authorized to offer and manage charitable gift annuities only for contributions of \$100,000 or more. The Lighthouse will not offer or manage charitable gift annuities which payout for more than one lifetime.
  - b. Planned gifts are directed to The Lighthouse's general endowment unless otherwise restricted in writing by the donor.

7. Tangible Personal Property.

- a. The Lighthouse generally will not accept gifts of tangible personal property, such as automobiles, boats, and airplanes, as examples; however, gifts of high-value personal property may be considered on a case-by-case basis.
- b. Gifts of tangible personal property will only be accepted if the gift can be used immediately for mission related activities or sold to support operations.
- c. The Lighthouse may accept gifts of tangible personal property if the Advancement Committee finds that (1) the property is readily marketable; (2) the donor provides proof that the property is free and clear of encumbrances; and (3) the gift is of sufficient value to cover administrative and sales costs and meets any minimum value requirements set by The Lighthouse.

8. Securities and Non-cash Types of Gifts.

- a. Publicly traded securities. Marketable securities may be accepted by The Lighthouse via transfer to The Lighthouse's brokerage account. All marketable securities shall be sold upon receipt unless otherwise directed by The Lighthouse's Finance Committee.

- b. Restricted securities, closely held securities, and partnership interests. Gifts of restricted securities, closely held securities, interests in limited partnerships and limited liability companies, and other ownership forms, must be reviewed and approved by the Advancement Committee before acceptance.
- c. Real Property. All gifts of real property shall be deeded by warranty deed without unacceptable exceptions. The date of the gift is the date of delivery and acceptance of a duly signed and recordable deed. The Lighthouse will value the gift at the property's appraised value and may deduct administrative and sales costs not borne by the donor.
  - i. The Advancement Committee must approve any real property gifts The Lighthouse elects to hold, or is unable to sell. In these cases, the donor may be required to pay for all or a portion of associated maintenance, administration, and sale costs.
- d. Life Insurance. The Lighthouse may accept the proceeds of a donor's life insurance policy, but the gift to The Lighthouse is not complete unless The Lighthouse is named as both beneficiary and irrevocable owner of the policy, with no incidents of ownership retained by the donor.
  - i. Life Insurance gifts are directed to The Lighthouse's general endowment unless otherwise restricted in writing by the donor.
- e. Cryptocurrency The Lighthouse does not accept cryptocurrency donations directly. However, with approval of the Advancement Committee, the fundraising staff may employ a qualified third-party vendor to facilitate the transfer and conversion of the gift into U.S. dollars.



- f. Sale of Non-Cash Assets. The Lighthouse will sell all non-cash assets as soon as practicable by any method it deems reasonable, after acceptance in accordance with this policy.

#### Policy Amendment and Review

The Advancement Committee shall review this Policy at least every five years and the Board of Trustees must approve any amendments. The Advancement Committee shall have the authority to amend this Policy as necessary to comply with applicable laws, rules, and regulations.

#### Effective Date

This Policy was adopted by the Board of Trustees on January 21, 2026 and became effective on that date. All gift agreements shall be governed by the applicable policy in effect at the time the original gift was accepted.