

World Renew Gift Acceptance Policy

POLICY NAME: Gift Acceptance Policy	CATEGORY: Fundraising
APPROVED BY: CPAC	APPROVED: February 26, 2021
POLICY OWNER: Co-Directors	NEXT REVIEW: February 2024

1. Introduction

World Renew’s tagline is based on Micah 6:8 and captures the overriding values and motivations for our work: “Doing justice, loving mercy and serving Christ” in all we do. Our value of “Stewardship” means that we “steward God’s gifts with integrity, accountability and systems of reporting that honour both the intent of the donors and the flourishing of people in communities.”

World Renew adheres to external standards including those of the Evangelical Council for Financial Accountability in the USA and the Canadian Centre for Christian Charities (CCCC) in Canada.

For the USA, these commitments of the Evangelical Council pertinent to gift acceptance include:

7.2 Giver Expectations and Intent. *Statements made about the use of gifts by an organization in its charitable gift appeals must be honored. A giver’s intent relates both to what was communicated in the appeal and to any instructions accompanying the gift, if accepted by the organization. Appeals for charitable gifts must not create unrealistic expectations of what a gift will actually accomplish.*

7.3 Charitable Gift Communication. *Every organization shall provide givers appropriate and timely gift acknowledgments.*

7.4 Acting in the Best Interest of Givers. *When dealing with persons regarding commitments on major gifts, an organization’s representatives must seek to guide and advise givers to adequately consider their broad interests. An organization must make every effort to avoid knowingly accepting a gift from, or entering into a contract with, a giver that would place a hardship on the giver or place the giver’s future well-being in jeopardy.¹*

For Canada, these accountability standards and commitments pertinent to gift acceptance as an accredited member of Canadian Centre for Christian Charities² include:

5. 3 Donations

5.3.1 *Donations are accepted for activities that are within the charity’s objects and have been approved by the organization.*

5.3.2 *All donors, except for registered charities, are entitled to receive an official receipt for income tax purposes for the amount of eligible donation made in cash or for the fair market value of the*

¹ https://www.ecfa.org/PDF/ECFA_Seven_Standards_of_Responsible_Stewardship.pdf

² <https://www.cccc.org/the-centre>

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property donated. The Board may establish a minimum amount for the issuance of official receipts, requiring smaller donations to be receipted only upon request.

5.3.3. The organization maintains and publishes a donor restricted gift policy on all appropriate fundraising materials, including its website. All donations restricted to a particular approved activity are used for the purpose for which they were given, subject to certain specific situations as identified in the donor restricted policy.

World Renew adheres to the **Canadian Council of International Co-operation Code of Ethics**, which includes these commitments:

S6.2 The Organization shall ensure that: a) the public is informed of the way the Organization intends to use donated resources; b) when members of the public are invited to support a specific project or purpose, they are informed if donations may be reassigned and they are given an explanation of these planned alternative uses;

S6.3 The Organization shall have policies and procedures to ensure that it accepts only those donations which will not compromise its ethics, program focus or other interests.³

In addition, World Renew is committed to applying the Core Humanitarian Standard on Quality and Accountability (CHS)⁴ across all its work. Two of the organisational responsibilities under the CHS are to “Accept and allocate funds and gifts-in-kind ethically and legally,” and “Ensure that the acceptance of resources does not compromise its independence.”

This policy seeks to lay the foundation for ensuring these systems are in place throughout the organisation.

2. Scope

This policy applies to all individuals, foundations, businesses, corporations, organizations, or institutions that make a gift to World Renew. A gift is defined as the voluntary transfer of assets from a donor to World Renew while receiving nothing, or less than full value, in return. Additional policies that govern all donations applied to the restricted budget are found in World Renew’s Restricted Funding Policy.

3. Purpose

The Gift Acceptance Policy provides principles for World Renew to analyze the risks, costs, and benefits associated with a proposed gift. This policy is designed to assist staff members in their communication with donors and in making decisions to accept or decline offered gifts. This policy also serves to inform donors regarding World Renew’s practices.

³ https://ccic.ca/wp-content/uploads/2018/05/001_code_of_ethics_booklet_e.pdf

⁴ <https://corehumanitarianstandard.org/the-standard>

4. Principles

4.1 World Renew is full of gratitude to our donors who enable us to do the work we do both nationally and internationally. In addressing poverty, disaster and injustice, we strive to bring together partners for the glory of God.

4.2 World Renew encourages the donors in its constituency to be joyful and positive influencers in their home churches and communities about what they have experienced and learned.

4.3 The order of priority for encouraging a donor in their giving is:

- 1) Funding unrestricted projects already in the budget, as a strategic priority of the organization, through undesignated and designated gifts to existing projects, such as in the Inventory and Offers System; and approved disaster response appeals.
- 2) Special projects planned by Country Teams, the International Disaster Response Team, and the Disaster Response Services Team, which have been authorized to seek restricted funding that is in addition to number (1);
- 3) Donor-initiated projects that are not in the budget, which must be authorized under the Restricted Funding Policy. Any support of new projects must be aligned to World Renew strategies and respond to an identified community need as approved by Regional Directors.

4.4 World Renew strives to respect and administer gifts with designations according to the donor's instruction.

4.5 World Renew's pursuit of funding opportunities and acceptance of gifts is guided by its organisational values and policies, its strategic plan and other key operational standards, including the commitment to accept and allocate funds and gifts-in-kind ethically and legally and to ensure that the acceptance of resources does not compromise its independence, as outlined in the Core Humanitarian Standard. World Renew complies with all federal, state, provincial, or municipal laws that relate to fundraising and charitable donations.

5. Policy

5.1 Undesignated Gifts: World Renew Staff may accept any Undesignated Gifts. Undesignated Gifts refer to gifts donated to World Renew with no special instruction or specification. Undesignated Gifts are used by World Renew to respond to the greatest needs of our ministry as outlined by the approved Board of Directors budget.

5.2 Designated Gifts: Designated Gifts refer to funds that have been specified by either the donor or World Renew to be used for a specific purpose within the General Unrestricted Program or an authorized disaster response appeal. Designated Gifts can be made in support of specific projects,

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programs or partners, country budgets, and gift catalog items. World Renew will not deliberately oversubscribe projects and programs to accept gifts that exceed the budget. World Renew may request that donors allow designated gifts to be redirected to a program with a similar intent or location if the program to which the gift was designated has been fully funded. If a donor has specific requests regarding gift use and timing, the Constituency Relations team must confirm this information with the staff involved in implementation, either in Disaster Response or the regional teams.

5.3 Restricted Gifts (formerly known as above budget or over and above): Programmes that are considered above budget and restricted are funded with gifts or grants that have been designated for a special purpose that goes beyond what is planned in the core unrestricted programme. World Renew can accept restricted gifts if they are aligned to the mission and current priorities of World Renew, and have been assessed and approved following the Restricted Funding Policy. No restricted project funds will be received from a donor or processed without an approved proposal, a signed agreement with the grantor, designation code, and partner agreement. These restricted projects can be initiated any time throughout the year and can have a duration of multiple years. (See Restricted Funding Policy)

5.4 Pass-through Gifts are prohibited. World Renew will not accept gifts to be transferred to or from individuals or organizations outside of agency-approved program activities. In other words, staff should decline requests to facilitate international fund transfers on behalf of donors to unaffiliated individuals / organizations (also known as pass-through or flow-through activity).

5.5 Multi-Agency Gifts: Multi-Agency are gifts designated to be split between agencies. World Renew may accept gifts that are designated to be partly for World Renew and partly for another agency (such as Resonate Global Mission) affiliated with the Christian Reformed Church, and transfer to that other agency their designated portion. However, World Renew will not administer multi-agency gifts for an agency that is not affiliated with the CRC or in an established partnership with World Renew.

5.6 Criteria for acceptable gifts:

5.6.1 The gift fulfills a current or future need of World Renew OR has market value.

5.6.2 The gift is legal, i.e. it does not violate any federal, state, provincial, or municipal law, and appears to have no legal liability or danger related to its ownership.

5.6.3 The gift does not compromise World Renew's independence.

5.6.4 The donor must be willing and prepared to relinquish all rights and ownership over the gift. Donations may not be revoked.

5.6.5 The cost of supporting and maintaining the gift does not exceed the value of the gift (an exception may be made in the case of real estate).

5.6.6 Time-designated gifts may be allowed by the World Renew Board under approved time designations (such as the Joseph Fund.)

5.6.7 World Renew does accept gifts of undivided interest in property.

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5.7 Factors that would make World Renew decline a gift

World Renew will decline a gift in the following circumstances:

5.7.1 If the gift source requires an endorsement unquestionably known to be incompatible with the values, beliefs, and doctrines of the Christian Reformed Church. This includes, but is not limited to, the creeds and confessions that the Christian Reformed Church upholds⁵ and the current beliefs of Synod. (Ex. Lottery Proceeds (Synod 1992, Report 28), Tobacco/Drug Proceeds (Synod 1987, Report 30)).

5.7.2 If the gift cannot be reasonably expected to be used to satisfy or further the organization's exempt purpose, or there is no ready market to which World Renew can liquidate the contribution and convert it to cash.

5.7.3 If the gift is known to jeopardize the donor's financial capability to maintain basic needs under reasonable terms.

5.7.4 If the gift includes a restrictive clause that would violate the Human Rights Code (Canada) or the Constitution of the United States (USA).

5.7.5 If the gift includes a condition that requires any action on the part of World Renew which is unacceptable to World Renew or violates World Renew's policies and regulations (i.e., requires or stipulates the future employment at World Renew of any specified person or doing business with any specified company or person).

5.7.6 If the gift is of a partial interest in property unless the Board agrees otherwise.

5.7.7 If the gift is financially unsound or would expose World Renew to liability.

5.7.8 If the gift diminishes or risks diminishing World Renew's integrity, reputation, and/or independence.

5.7.9 World Renew does NOT accept gifts for which the gift contains unreasonable conditions as determined by the Director in the respective country, such as time-designated gifts not approved by the Board.

5.7.10 World Renew will not give a donor a receipt at an inflated value for a gift.

5.7.11 The World Renew staff reserves the right to decline gifts without explanation.

5.8 Endorsements and Conditions

Gifts that require World Renew to endorse, partner, or publicly recognize a donor are required to be evaluated by World Renew Staff and approved by the Chief Advancement Officer and/or the Co-Directors Priorities Advancement Council (CPAC). Unless otherwise agreed upon, accepting a gift is not an endorsement of the gift source, but rather their endorsement of World Renew.

5.9 Gift Acknowledgement

World Renew Staff shall express World Renew's acceptance and gratefulness in a timely manner.⁶

World Renew will acknowledge in writing all gifts received. World Renew Canada and World Renew US will comply with all regulations for charitable gift acknowledgement of their respective

⁵ <https://www.crcna.org/welcome/beliefs>

⁶ (Typically within two weeks after due process is completed.)

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governments. World Renew will send annual giving summaries to help our donors manage their intended donation strategy.

5.10 World Renew and Legal Counsel

World Renew may consult Legal Counsel regarding a gift when deemed necessary by World Renew Staff to minimize conflict and/or give clarity to both/either World Renew and the Donor. World Renew will cover all legal costs associated with World Renew's Legal Counsel.

5.11 World Renew Recommendation for Donors

World Renew encourages all donors to consult legal counsel regarding the potential financial, tax, and estate consequences as a result of a donation. Pursuing personal legal advice works to eliminate conflicts or conflicts of interest. World Renew will not contribute or cover the Legal Fees of the Donor Party unless agreed upon by World Renew Staff (i.e., Estate Legal Fees).

5.12 Donor Data Storage and Privacy

World Renew complies with the Christian Reformed Church of North America's Privacy Commitment Statement which is compliant with Federal and State/Provincial laws.

5.13 If World Renew Discontinues Operations

Upon dissolution of the World Renew Canada Corporation or the World Renew US Corporation, any assets which have not been used to satisfy the obligations of this corporation shall be distributed exclusively to other non-profit organizations that operate on similar principle and with a similar mission as World Renew. World Renew will contact donors, and if situationally permissible allow the donor to re-designate their gift. World Renew's Canada and US Bylaws give specific details regarding the legal process.

6. Monitoring and Review

This policy will be reviewed every 3 years and updated based on World Renew's experience of implementation and to include further developments in the area of Fundraising. World Renew reserves the right to change the Gift Acceptance Policy without prior notice. Donors affected by changes will be notified promptly.

7. Key Terms and Definitions⁷

Donor: An individual, foundation, business, corporation, organization, or institution that makes a gift to World Renew.

⁷ World Renew commits to complying with its applicable statutory and legislative obligations. Accordingly, the specific definitions, terms or concepts used in this policy are for reference purposes only. If necessary, the applicable provincial, state or federal definitions mandated by the appropriate jurisdiction will take precedence and/or will supersede the definitions outlined in this policy.

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General Unrestricted Programme: This is the funding that is allocated to each team by World Renew’s Board for a fiscal year for planning purposes. Usually 92% of operational funds of this amount is guaranteed or fixed, while the other 8% is considered “variable”, and is not approved until February 15 (dependent on revenue targets). Designated gifts from individuals, church congregations, or groups of constituents are not considered grants even if a small proposal was presented in order to solicit the gift and even if it provided additional funding above the general unrestricted programme.

Gift: The voluntary transfer of assets from a donor to World Renew while receiving nothing, or less than full value, in return. Gifts are irrevocable.

Designated Gifts: Designated Gifts refer to funds that have been specified by either the donor or World Renew to be used for a specific purpose within the General Unrestricted Program.

Gift-in-Kind: The transfer of ownership of services or goods, not including cash or stocks.

Gift Receipt: A written statement containing: 1. The name of organization; 2. The amount of the cash contribution; 3. A description of noncash contribution; 4. A statement outlining any goods or services that were provided to the donor in exchange; 5. An estimated value of the item if under \$1,000 (Canada). 6. Date and year of the gift.

Grant: A grant is a non-repayable restricted fund or product disbursed by one or more parties (grantor) to a recipient (World Renew), often from a government department (bilateral/institutional), a multilateral (e.g. UN), a private/corporate entity, foundation or trust. A ‘grant’ is the fund mechanism by which a particular project or projects may be activated. It does not describe ‘the project’ or ‘the agreement’ but rather, is a generic term to express the funding mechanism (e.g. grant-funded project).

Restricted (formerly known as above budget or over and above): Programmes that are considered above budget restricted are funded with gifts or grants that have been designated for a special purpose that goes beyond what is planned in the core unrestricted programme. These restricted projects can be initiated any time throughout the year and can have duration of multiple years but must be assessed using the Go/No Go scorecard before approval.