

Gift Acceptance Policy

1. Purpose

The Carousel of Happiness (herein referred to as “the organization”) solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to The Carousel of Happiness for the benefit of any of its operations, programs or services. Donations will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitations. In the course of its regular fundraising activities, the organization will accept donations of money, real property, personal property, stock, and in-kind services.

The members of the Board of Directors and the Executive Director have the authority to solicit and accept gifts on behalf of the organization. The organization and all its solicitors shall comply with all federal, state, and local laws and regulation concerning the solicitation of gifts, acceptance of gifts, and charitable financial reporting requirements.

Certain types of gifts must be reviewed prior to acceptance due to the special liabilities they may pose for the organization, especially gifts of real and personal property.

Please consult the Executive Director with any questions or concerns about your gift:

Call (303)258-3457 or email outreach@carouselofhappiness.org

Mail to P.O. Box 1811, Nederland CO 80466

2. Gifts Generally Accepted Without Review

Money. Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card number, expiration date, and name of the card holder as it appears on the credit card.

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 the Board of Directors. 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 the Executive Committee.

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans. Donors are encouraged to make bequests to the organization under their wills, and to name ‘The Carousel of Happiness’ as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

Charitable Remainder and Lead Trusts. The organization will accept designation as a remainder beneficiary of charitable remainder trusts, and as an income beneficiary of charitable lead trusts.

3. Gifts Subject to Prior Review

In-Kind Gifts. The Executive Committee shall review and determine whether to accept any gifts of in-kind services or goods, including tangible personal property, in light of the following considerations: Does the service, property or other in-kind gift further the organization's mission? Is the gift marketable? Are there any unacceptable restrictions imposed on the gift? Are there any carrying costs for the gift for which the organization may be responsible? Is the title/provenance of the personal property clear?

Life Insurance. The Executive Committee shall review and determine whether to accept any gifts of life insurance where The Carousel of Happiness 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. The Executive Committee shall review and determine whether to accept any gifts of real estate in light of the following considerations: 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 a review or audit reflect that the property is damaged or otherwise requires remediation?

Trips and Special Events. The Executive Committee shall review and determine whether to accept any gifts in the form of special events or trips. When trips or special events involve a charitable contribution, the fair market value and the charitable contribution amount for each participant will be stated specifically in the promotional literature and donor acknowledgment letter. Donations given to offset the costs of a special event must be recorded as gift income, rather than as a credit to an expense account.

Closely Held Securities. The Executive Committee shall review and determine whether to accept and gifts in the form of securities in closely held entities, including interests in limited partnerships and limited liability companies, in light of the following considerations: Does it subject the organization to ongoing fiduciary duties, appraisal costs, carrying costs, reputational harm, or other liabilities?

Restricted Gifts. The Executive Committee shall review and determine whether to accept any restricted gifts, including cash or cash equivalents. Any gift not expressly restricted by the donor will be deemed unrestricted.

4. Restrictions on Acceptance of Gifts

The Carousel of Happiness will not accept gifts that (a) would result in the organization violating the organization's policies, articles of incorporation, or other corporate documents (b) would result in the organization losing its status as a not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for the organization, or (e) are for purposes outside the organization's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee, in consultation with the organization's Director.

5. Financial and Legal Counsel

The Carousel of Happiness will seek the advice of financial and/or legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for a) gifts of securities that are subject to restrictions or buy-sell agreements, b) documents naming the organization as trustee, or requiring the organization to act in any fiduciary capacity, c) gifts requiring the organization to assume financial or other obligations, d) transactions with potential conflicts of interest, and/or e) gifts of property which may be subject to environmental or other regulatory restrictions.

The Carousel of Happiness 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.

6. Valuation of Gifts

The Carousel of Happiness's policy is to comply with Internal Revenue Service reporting requirements, valuation rules set out in Publication 561, and all other aspects of state and federal tax law. At the time of reviewing a gift, the organization shall determine if any valuation of gifts may be necessary prior to acceptance.

The Carousel of Happiness reserves the right to alter the value of property contributed to it for accounting, tax-reporting, annual fund record-keeping or any other purpose, after the completion of the gift, if it is determined (in the discretion of The Carousel of Happiness's accountants or auditors) to merit such an alteration.

7. Adoption of Policy and Review

This policy and guidelines have been reviewed and adopted by The Board of The Carousel of Happiness at the regular meeting on February 16, 2022. The Board must approve any changes to this policy. The policy will be reviewed bi-annually by the Executive Committee.