

## Policy on Donations



cottagecove

### Overview

Cottage Cove Urban Ministries accepts all donations for purposes in accordance with our mission and ongoing programs. Gifts by default become part of Cottage Cove's general funds and will be utilized where the greatest need exists as determined by the organization. Use of donated funds is not limited to the calendar year in which they are given and may span multiple years.

IRS and state regulations affect the terms of all gifts to charities. Once accepted by the charity, the donor's gift is, in effect, owned by the public interest and the gift no longer belongs to the donor. For this reason, Cottage Cove is obligated to now use the gift only for its purposes. Refunds are considered to be contrary to public interest in this regards.

In addition, depending on the method by which the gift was given, especially by electronic transfer or via credit card processing, Cottage Cove automatically incurs nonreversible and nonrefundable costs in accepting the donation.

Cottage Cove has a no refund policy in regards to all charitable gifts (mandated exceptions follow below). Financial donations are receipted shortly after receiving the gift, either via postal mail or electronically, unless otherwise requested. Gifts-in-kind donations are receipted immediately upon receipt of the goods or services, if requested. Items requiring special receipting considerations per IRS regulations (such as automobiles) will be receipted when all mandatory conditions have been met. An annual year-end receipt encompassing all financial donations for that calendar year will be issued early in the following year. Only gifts on hand in a calendar year, or postmarked in that calendar year, will be included on an annual receipt (per IRS regulations).

### Error Correction

Automatically recurring gifts set up by the giver through outside means, including check services or PayPal, must be terminated by the giver. Cottage Cove is not responsible for errors made by these services, whether in their amounts or continued remittances beyond pre-specified terms. Cottage Cove will only correct such errors, and issue adjusting refunds, if the auto payment is set up directly with Cottage Cove and is administered by Cottage Cove.

Cottage Cove will adjust errors on receipts, and reissue a receipt, upon notification of and subsequent verification of said error.

### Designated Gifts

Cottage Cove may accept designated gifts with the following caveats:

Funds designated for staff will be utilized for payroll in support of that staff member. Funds designated for interns will be paid out to them incrementally over their term at Cottage Cove. Designated funds for

interns or staff members will be utilized for similar purpose in the event that the staff member or intern abruptly or prematurely departs Cottage Cove. For example; should an intern depart partway through their internship, any remaining designated funds will be used to help pay the individual, or individuals, who take over their responsibilities.

Funds designated for a particular Cottage Cove facility or location will be used for that location, subject to all remaining aspects of the general conditions covered in the overview.

Funds designated for a particular promoted activity of Cottage Cove (for example: Christmas with Dignity) will be utilized in any or all facets of executing that activity, subject to all remaining aspects of the general conditions covered in the overview. Cottage Cove may, from time to time, have specific promoted projects (for example: to purchase an asset or property). Funds received for this will be utilized in any or all facets of executing that project, subject to all remaining aspects of the general conditions covered in the overview. Excess funds, arising from unexpected savings or otherwise, will be used in similar manner or transferred to general funds.

Contracted grants will be utilized for the defined purposes and term of the grant, with any excess funds (due to unexpected savings or otherwise) being used for similar purposes or returned to the grantor dependent upon the terms of the grant.

Beyond these defined or promoted categories, any donor wishing to designate or restrict a gift (or gifts) should contact Cottage Cove prior to sending. All agreed to conditions on a gift should be included with it in writing. Any gift arriving with written designation or conditions, apart from such pre-acceptance, will be returned to the donor uncashed unless Cottage Cove is willing to agree to the stipulations. Conditions may not be subsequently attached to an already accepted gift, as all gifts received apart from prior agreement or designation are automatically received under the general terms and conditions covered in the overview.

If Cottage Cove subsequently is unable to use designated funds according to the donor's intent, as agreed to by Cottage Cove, a refund will be issued. All nonprofit organizations are required to return a donor's gift if the funds cannot be used according to the donor's intent or if any significant provisions of a gift agreement are violated. The donor's intent and/or the gift agreement are a contract governing the relationship between the donor and the organization. All nonprofit organizations, including Cottage Cove, are legally bound by such agreements.