

Overview

The Sierra Club is the most enduring and influential grassroots environmental organization in the United States. We amplify the power of our members and supporters to defend everyone's right to a healthy world.

We work with other partner organizations, nonprofits, and campaigns to build a diverse, inclusive movement that represents today's American public. We know that environmental issues can't be separated from social justice—because we all breathe the same air and share the same land. Sierra Club also works with and supports companies that know strong environmental and social equity values are a part of smart business.

We value funders at every level. We believe in the value of grassroots fundraising. We also accept financial support from the very wealthy and use it to fight for climate and environmental justice. We also strive to leverage our relationships with the philanthropic community and our members and supporters to address the historical and current imbalance of funding between big greens and smaller groups -- smaller groups are often the ones who are achieving results on the frontlines of the environmental and ecological crisis.

What follows is an explanation of the types of funding we accept, our processes for maintaining the integrity of our programs, and what our donors should expect. This policy supplies important information for Sierra Club representatives who may be involved in the solicitation and acceptance of gifts, to outside advisors who may assist in the gift planning and solicitation process, and to prospective donors in order to help them fulfill their philanthropic intent. The policy describes the procedural and substantive screening requirements for all gifts to the Sierra Club, including its chapters and groups. These requirements are intended to ensure that the Sierra Club maintains the public's trust as it carries out its mission to preserve and protect the environment.

Definitions

A. A "gift" means a donation of money or other thing of value to Sierra Club. This policy addresses gifts to Sierra Club, gifts to any Club entity, such as a chapter or group, as well as Sierra Club's position regarding donations to Sierra Club Foundation, a wholly separate nonprofit public charity.

B. A "donor" is an individual, charitable vehicle, for-profit corporation, or other business entity that makes a gift to Sierra Club or Sierra Club Foundation.

For purposes of this policy, all gifts from spouses or from the same corporation, including subsidiaries, are considered to be from the same donor.

C. A “donor identity unknown” gift is one where the identity of the donor is unknown to the Sierra Club and the Sierra Club Foundation (i.e., the gift is delivered by a neutral third party).

D. An “anonymous” gift is one where the identity of the donor is known to the Sierra Club or the Sierra Club Foundation, but the donor wants to limit public awareness of the gift, its amount, or other terms.

E. A “corporate gift” refers to any contribution from a for-profit enterprise or one which serves for-profit enterprises, and refers to, among others, corporations, companies, limited liability companies (LLCs), limited liability partnerships (LLPs), partnerships, §501(c)(6) non-profits, and other business entities. The term “corporate gift” also includes contributions from a business executive or director where the gift appears to have originated with the business, appears to be controlled by the company, or will significantly benefit the business in question.

F. The Gift Acceptance Committee (GAC) is a committee that approves certain types of large or corporate gifts (as described in Section 8, below). The Board’s Executive Committee shall appoint between three and five members to the GAC, including one staff member and one Director.

Rules on Gift Acceptance

General Rules

These conditions apply to all gifts:

1. The principal basis for making a gift should be the desire on the part of the donor to support the mission, programs, and objectives of the Sierra Club.
2. The Sierra Club and its elected Board of Directors determine the organization’s priorities and have oversight of all our programs. Donors do not direct our programmatic work or make key organizational decisions.

3. Accepting a gift is not a sign that the Sierra Club is aligned with a donor, organization, or viewpoint.
4. We do not accept grants from federal government agencies.
5. We reserve the right to refuse or return any gift that is not consistent with our mission and values, which could introduce a conflict of interest, or that is prohibitively restrictive, or that could expose the Sierra Club to liability or adverse publicity
6. Fundraisers shall advise donors only in areas in which they are professionally qualified and shall defer to other professional advisors as necessary. All potential donors shall be advised to use their own legal and tax counsel in matters relating to their potential gift. No gift shall be knowingly urged upon any prospective donor that would benefit Sierra Club at the expense of the donor's interest and welfare.

Substantive Rules

- 1) The Sierra Club may reject gifts whenever it concludes that:
 - a) Undue influence would be exerted by the donor to shape the spending of the Sierra Club or to distort the programs of the Sierra Club, (i.e., the independence of the Sierra Club's advocacy or political endorsements could be compromised by the gift).
 - b) The gift is linked to goods, services or more than incidental benefits that would be provided to the donor or recommending donor.
 - c) The gift could endanger the public's trust in the Sierra Club to preserve and protect the environment. The Sierra Club will not accept gifts from recognized major polluters; sources that make or sell, or whose name is widely associated with a business practice or product that is unusually damaging to the environment; recent (within the last 5 years), or significant violators of environmental laws; and reserves the right to reject gifts from major antagonists of environmental organizations or our allies.
 - d) The Sierra Club will not accept gifts where sources of the gift are unlawful.
- 2) The Sierra Club reserves the right to refuse or to return any gift from a donor who harasses, threatens, harms, or threatens to harm the property, safety, security or well-being of others, including Sierra Club staff or volunteers. Harassment may include but is not limited to, epithets, slurs, derogatory comments or jokes, intimidation, negative stereotyping, threats, assault, or any physical interference.

- 3) The Sierra Club will honor all requests by donors for anonymity where anonymity would not violate any legal requirements for disclosure. We have processes to ensure that gifts are made in support of the organization's goals and acceptance would not otherwise violate any gift acceptance policies. The Sierra Club does not accept anonymous gifts from corporate entities.
- 4) The Sierra Club prefers unrestricted gifts. In drafting instruments for restricted gifts, donors and their advisors are encouraged to use language that would permit application of the gift to a more general purpose if, in the opinion of the Board, the designated purpose is no longer feasible.
- 5) All large gifts (\$100,000+) must be approved by the Sierra Club's Chief Advancement Officer. Any gift of \$1,000,000 or more must be reviewed and approved by a Gift Acceptance Committee and the Executive Director. The Sierra Club Board of Directors reviews all large and/or anonymous gifts quarterly.

Procedures on Gift Acceptance

1. Gifts of \$1M+

Any gift over \$999,999 must be reviewed and approved by a Gift Acceptance Committee and the Executive Director. This review will be conducted prior to solicitation of the donor or prior to acceptance for unsolicited gifts.

2. Gifts of \$100,000+

The Chief Advancement Officer, or his/her designee, is responsible for reviewing all gifts of \$100,000 or more, using publicly available information to determine whether the gift complies with this policy's substantive requirements.

3. Corporate Gifts of \$10,000+

The Gift Acceptance Committee ("GAC") shall provide additional oversight over gifts from corporate entities. The GAC will review all corporate gifts of \$10,000 or more (including anonymous corporate gifts) prior to solicitation of a corporate donor, or prior to acceptance for unsolicited gifts, to determine whether the gift complies with this policy's substantive requirements. The GAC will complete its review and

decision on all outstanding corporate gifts within a month after it is presented with the information. The Sierra Club, including its chapters and groups, may accept corporate gifts of less than \$10,000 that comply with this policy without review and approval of the GAC.

In the event the GAC approves a corporate gift of \$100,000 or more by a divided vote, either the Executive Director or a member of the Committee who voted against the approval may appeal that decision to the Board. In the event the GAC rejects a corporate gift of \$100,000 or more (or, in the case of a gift to a chapter, group, or state entity of the Sierra Club, \$25,000 or more), the entity that would have received the gift may appeal that decision to the Board.

Disclosure to the Board

The Board of Directors has a fiduciary responsibility to ensure that gifts align with Sierra Club's mission and comply with its policies. Furthermore, any Director, under California law, has a right to review all Sierra Club records. To achieve these objectives, all gifts of \$100,000 or more during the prior fiscal year must be disclosed annually at the first Board of Directors meeting after the completion of Sierra Club's fiscal year. In addition, the following gifts must be disclosed quarterly to the Board: (1) gifts of \$100,000 or more that are corporate, "donor identity unknown," or anonymous; and (2) gifts of \$1,000,000 or more.

For each gift, this disclosure will include:

1. Name of the donor. In the case of anonymous gifts, the name of the donor will be disclosed orally by the Executive Director or Chief Advancement Officer to the Board Executive Committee and upon request to any member of the Board of Directors.
2. Amount of his/her aggregate annual gifts.
3. Any restrictions as to the use of the gifts.
4. A description, appropriate to the scale of the gifts, summarizing the appropriate decision-maker's analysis regarding why this gift complies with our gift policies.

For each "donor identity unknown" gift, this disclosure should include:

1. Amount of each gift.
2. Any restrictions as to the use of the gift.
3. All efforts to establish identity of donor

4. A description, appropriate to the scale of the gifts, summarizing the appropriate decision-maker's analysis regarding why this gift complies with our gift policies.

Recordkeeping

Any determination, consultation, or notification required by this policy will be recorded in writing (paper or electronic), to a degree of detail appropriate to the magnitude of the gift and any applicable circumstances, and such records shall remain accessible to the Board.

Sierra Club's Responsibility to Respect Donor Privacy and Confidentiality

1. All parties involved in soliciting, accepting and managing anonymous gifts, including but not limited to the Board of Directors, staff and volunteers, will abide by the terms of the donation and make all reasonable efforts not to disclose any information about the donor or the donation that is not required by law.
2. The Executive Director or his/her designee will review with each Director and member of the GAC the applicable confidentiality obligations, the form that delineates them, and the agreement that establishes their duty to comply with these obligations. All Directors, GAC members, and staff who receive confidential donor information are expected to sign this agreement each year.
3. Any intentional violations of donor confidentiality shall be subject to disciplinary action.

Updates to this policy

This Gift Acceptance Policy will be reviewed every three years by the Advancement Department Leadership team and the Gift Acceptance Committee.