



GIFT ACCEPTANCE POLICIES

OF WESLEYAN IMPACT PARTNERS

APPROVED - WI BOARD - 04.03.2024

Gift Acceptance Policies of Wesleyan Impact Partners

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Policy No. 1 – Policy, Responsibility, and Restriction Statements

Policy Statement

Wesleyan Impact Partners (hereinafter referred to as “Wesleyan Impact Partners” or “WI”) is a public charity which engages in philanthropy, the issuance of debt-backed securities, and the making of loans to churches and non-profits engaged in ministries which empower the work of the church. It serves those churches which trace their origins to the Wesleyan/Episcopal movement.

These Gift Acceptance Policies have been developed to support the purpose of WI and to give WI staff guidelines approved by the Board concerning the acceptance of gifts to fund life income contracts, charitable trusts, endowment funds and donor advised funds.

These policies will facilitate giving by allowing WI staff to respond quickly in the affirmative, when appropriate, and to seek broader approval before acceptance, when necessary. They will also guide and encourage WI staff to decline gifts that are not appropriate to WI’s ministry.

Responsibility

The Board of WI is responsible for reviewing these policies on an ongoing basis and periodically monitoring staff adherence to policy. Staff bears responsibility for maintaining these policies on a day-to-day basis.

Restrictions on Gifts

WI will not accept any gifts that would:

- A. result in WI violating its governing documents;
- B. result in WI losing its tax exempt status under the Internal Revenue Code;
- C. be too difficult or too expensive to administer in relation to their value;
- D. result in any unacceptable consequences for WI; or
- E. be for purposes outside WI’s mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the President of WI or her designee.

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Policy No. 2 – Priority of Donor’s Interest and Confidentiality

The interest of the donor shall have priority over the interest of WI. WI will not accept an irrevocable gift, whether outright or life-income in character, if under any reasonable set of circumstances the gift would jeopardize the donor’s financial security. Agents or representatives of WI shall make full disclosure to the donor on all aspects of benefits and liabilities of which they are aware that may reasonably be expected to influence the decision of the donor to make gifts to WI. However, in lieu of providing advice with respect to matters outside their areas of competence, such as tax advice, agents or representatives of WI shall advise the donor to seek advice from the donor’s legal and/or tax counsel. Further, gifts of a nature that would be inconsistent with the goals and objectives of WI will not to be accepted.

All information concerning donors and prospective donors, including names, names of beneficiaries, amount of gift, size of estate, etc., shall be kept in strict confidence by WI and its representatives. A donor, or, in the case of a testamentary gift or other acceptable circumstances, an executor, beneficiary, or close family member, may grant permission to WI to publicly announce any gift or feature of a gift to WI.

Gift Acceptance Policies of WI

Policy No. 3 – Gift Acceptance Committee

The staff Gift Acceptance Committee is charged with reviewing gifts made to WI, properly screening and accepting those gifts, and making recommendations to the President of WI on gift acceptance issues when appropriate.

The following WI employees will serve on the gift acceptance committee:

- President
- Executive Vice President
- Vice President for Philanthropy
- Assistant Corporate Secretary
- Relevant WI administrative staff and staff working with donor(s)
- Such other members appointed by the President

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Policy No. 4 – Cash Gifts

Any WI employee or Board member is authorized to accept gifts of cash for WI in accordance with the internal policies of WI.

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Policy No. 5 – Gifts of Tangible Personal Property

- A. Gifts of tangible personal property will be subject to advance approval by the Gift Acceptance Committee.
- B. While exceptions may be considered, WI requires that gifts such as art, furniture, computers, boats, automobiles, medical equipment, and other forms of tangible personal property, must satisfy each of the following before acceptance:
 - 1. The item to be received can be used by WI or WI can sell or otherwise dispose of the property;
 - 2. The item to be received is not encumbered by high transportation costs, storage costs, unusual maintenance, or other costs; and
 - 3. If the item to be received is encumbered by debt, an independent appraisal must establish that the fair market value of the property equals or exceeds two times the amount of the indebtedness.
- C. Prior to any gift of tangible personal property, WI will provide all donors or prospective donors written guidance on possible related or unrelated uses of the property.

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Policy No. 6 – Testamentary Gifts

- A. Employees, officers and directors of WI do not prepare wills for donors to WI. Only the President of WI may authorize exceptions to this policy, and any such exception may not sanction the unauthorized practice of law by a non-lawyer. Appropriate staff may, upon request, provide suggested gift clauses to donors' attorneys for inclusion in wills prepared by donors' attorneys.
- B. Whenever possible, a designated employee of WI will review in advance any restrictions or conditions placed on a charitable bequest and confirm that the legal name of the beneficiary is accurately stated.
- C. WI may not serve as executor or administrator of estates. The provisions of Texas law authorizing charities to act as trustees of trusts that contain provisions benefiting charitable interests (Tex. Bus. Org. Code § 2.106) do not extend to charities acting as executors or administrators of estates. However, in the event that WI is named as the beneficiary of a testamentary gift, WI may apply for probate of the will as a muniment of title (which does not require the appointment of an executor). Officers, staff and directors of WI may not serve as executors or administrators of estates unless the officer or director is serving on behalf of a relative's estate or the Gift Acceptance Committee has determined that there is no actual or potential conflict of interest with the work of WI and has approved the service of the officer, staff or director as executor or administrator.
- D. WI may not serve as an attorney-in-fact with one exception. In the event that WI is the trustee of a revocable trust for the benefit of a principal that contains provisions benefiting charitable interests upon the principal's death **and** transfer of a principal's assets to the trust will not significantly alter the principal's ultimate estate plan, WI may act as agent under a financial power of attorney for the sole and limited purpose of transferring one or more of the principal's assets to the revocable trust.
- E. As a general rule, WI will not bear any cost associated with creating or amending a will or revocable trust. Exceptions to this rule can be made at the discretion of the President of WI.
- F. For purposes of this policy, revocable gifts taking place upon a donor's death, such as gifts pursuant to beneficiary designations, contractual provisions, or revocable trusts, shall be considered "testamentary gifts."

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Policy No. 7 – Gifts of Securities

- A. Unless otherwise approved by the Gift Acceptance Committee, gifts of securities that should not be accepted include:
1. Securities that may create a liability to WI;
 2. Securities that by their nature may not be assigned (excepting securities with transitory restrictions on assignment, such as stock subject to the resale restrictions of Rule 144 under the Securities Act of 1933); and
 3. Securities that, on investigation, have no apparent value.
- B. In general, gifts of readily marketable securities will be sold as soon as practical unless:
1. The President of WI decides that the security should be held as a part of the organization's portfolio, consistent with WI's investment policy;
 2. The ownership interest involved is sufficient to have a depressing impact on the price of the security, in which event the sale may be extended over a period of time necessary to avoid such an impact; or
 3. The terms of the gift declare otherwise or the security is subject to contractual or regulatory restrictions on sale, such as the resale restrictions of Rule 144 under the Securities Act of 1933.
- C. Securities that have certain resale restrictions generally should be sold under the guidelines above once the restrictions on sale have expired.
- D. Gifts of bonds subject to a required holding period generally should be sold under the guidelines above once the holding period has expired.
- E. Gifts of interests in closely-held entities (including, but not limited to, corporations, limited partnerships, limited liability companies and similar entities) may be accepted only with the approval of the Gift Acceptance Committee and only when an investigation reveals no significant potential liability for WI in receiving the gift, and any lack of liquidity is anticipated to present no major difficulties for WI or with respect to the terms of any planned gift. In addition, interests in closely held entities that transfer control of the entity to WI may be accepted only when the potential benefits from the gift outweigh potential liabilities; where the company involved is not engaged in activities inconsistent with the goals and objectives of WI; and where the demands on staff time regarding the management of the company are acceptable.
- F. Unless waived by the President of WI, if the proposed gift is an interest in a closely held entity that currently owns or formerly owned real property, or other property (such as mortgage notes)

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secured by an interest in real property, WI shall comply with its Environmental Assessment Policy Number 17.

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Policy No. 8 – Gifts of Real Property and Mineral Interests

- A. The following policies apply to all gifts and proposed gifts relating to or subject to real property.
- B. All gifts of real property and mineral interests will be subject to approval by the Gift Acceptance Committee.
- C. WI will consider gifts of a residence or farm, with a life estate reserved, consistent with Policy No. 16. WI staff will notify the donor and his/her counsel in writing that property taxes, maintenance, insurance and compliance with environmental regulations continue to be the responsibility of the donor as long as he/she lives, unless otherwise approved by the Gift Acceptance Committee.
- D. WI seeks to minimize and, when possible, avoid environmental liability arising from the ownership or control of real property by taking actions that are reasonably appropriate to determine the extent of any environmental contamination before accepting ownership or control of the real property.
- E. If WI accepts real property with on-going activities that are subject to environmental regulation, WI will comply with all applicable environmental laws and regulations concerning the real property after accepting ownership or control of the real property.
- F. The donor will be responsible for providing a survey for any gifts of real property. Unless otherwise approved by the President of WI, WI will not pay for such survey.
- G. The donor will be responsible for having a building inspection done of any improvements on commercial property given to WI. Unless otherwise approved by the President of WI, WI will not pay for such building inspection.
- H. The donor will be responsible for having gifts of real property appraised by a qualified appraiser to establish a fair market value for the donor's purposes. Unless otherwise approved by the President of WI, WI will not pay for such an appraisal.
- I. In general, it is the policy of WI not to accept contributions of property subject to any form of indebtedness or other liability in order to prevent WI from becoming responsible for the payment thereof. Circumstances may arise where the President of WI believes that the acceptance of a gift encumbered by some form of liability would be in WI's best interest and that any financial risk would be within acceptable limits. In such event, the President in consultation with the Vice President for Philanthropy shall determine whether to accept the gift. In evaluating whether to accept such gift, consideration shall be given to the fair market value of the gift, the amount of the potential liability, the ability to sell the property, the costs associated with selling the property, and all other matters deemed relevant.
- J. In general, WI will not accept a gift involving real property that makes WI a principal in a real estate partnership, joint venture, or business activity in which WI participates fully in the

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risks of the operation and has more than limited liability for the conduct of the business (e.g., as a general partner, principal in a joint venture, or as an owner of a working interest).

- K. Gifts of mineral interests may be received absent extenuating circumstances such as extended liabilities or other considerations making receipt of the gift inadvisable. In this regard, prior to the acceptance of mineral interests, all offered gifts are to be first examined by a qualified consultant for such extenuating circumstances that would argue against receipt of the gift. The expense of the examination must be borne by the donor unless the President of WI approves an exception. Working mineral interests, which entail special problems regarding taxation, should be considered in advance of receipt of the gift, with a view towards establishing a plan that will minimize any adverse effect on the tax status of WI.

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Policy No. 9 – Gift Annuities

- A. In working with prospective gift annuity donors, care will be taken to assure that the person entering into the annuity fully understands that the annuity gift is irrevocable and understands the nature of the fixed payment which will be payable to them. All prospective donors will be urged to seek advice of their own legal and/or tax counsel. The relevant WI staff member will communicate clearly to the prospective donor that he or she represents WI.
- B. No gift annuity will be accepted if under any reasonable set of circumstances the gift would jeopardize the donor's financial security.
- C. A WI staff member will make every practical effort to meet personally with prospective gift annuity donors.
- D. All gift annuities entered into with WI in every instance must benefit exclusively charitable, religious or educational causes.
- E. No gift annuity will be entered into for an amount less than \$5,000.
- F. Gift annuities will be funded only with cash, cash equivalents or publicly traded securities.
- G. No gift annuity will be entered into at a rate higher than the rates recommended by the American Council on Gift Annuities as those rates may be revised from time to time.
- H. WI will follow the applicable laws of the state of the donor's residence with respect to the gift and provide such disclaimers and representations as the law of the state of the donor's residence requires. All requirements in other states will be addressed with similar care as to compliance with local law.
- I. All gift annuity donors shall be requested to provide the tax basis of donated assets. For purposes of tax reporting and gift annuity accounting, WI shall rely on tax basis information provided by the donor. If no such information is provided, WI shall assume that the tax basis of the gift asset is zero dollars, and the donor shall be so advised in writing.
- J. WI will provide gift receipts meeting Internal Revenue Service substantiation requirements for gift annuity gifts.
- K. Annual information in the form of IRS Form 1099-R and necessary supplemental information will be provided to WI donors in a timely manner with regard to the filing of federal income tax returns (and state and local income tax returns where necessary).
- L. All gift annuities will be reviewed by the Gift Acceptance Committee.
- M. Gift annuities with a beneficiary designation establishing an endowment must meet WI's minimum endowment requirement. If this threshold is not met, the full distribution will be disbursed to the designated beneficiary.

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Policy No. 10 – Charitable Trusts

- A. In working with prospective charitable trust donors, care will be taken to assure that the person creating the trust fully understands that the trust is irrevocable and understands the nature of the payments that will be made to the trust beneficiaries. All prospective donors will be urged to seek advice of their own legal and/or tax counsel. The relevant WI development staff member will communicate clearly to the prospective donor that he or she represents WI.
- B. No charitable trust will be accepted under any reasonable set of circumstances if the gift would jeopardize the donor's financial security.
- C. A WI staff member will make every practical effort to meet personally with prospective charitable trust donors.
- D. All charitable trusts entered into with WI in every instance must benefit exclusively charitable, religious or educational causes.
- E. Gifts of any asset other than cash, unrestricted publicly traded securities, or readily marketable real estate will not be accepted as funding for charitable remainder annuity trusts or "straight" charitable remainder unitrusts. WI further will not accept a gift of illiquid assets in trust if it is anticipated that cash overdrafts may occur in the account. The President of WI must approve any exceptions, and, if exceptions are approved in the case of charitable trusts, the donor will be advised to seek legal counsel regarding the effect of a cash overdraft on the qualification of the trust, and will be urged to contribute sufficient liquid assets to the trust to cover all costs relating to holding the property until it is sold.
- F. Donors of all split-interest gifts shall be requested to provide the tax basis of donated assets. For purposes of the tax reporting and trust accounting, WI shall rely on tax basis information provided by the donor. If no such information is provided, WI shall assume that the tax basis of the donated asset is zero dollars, and the donor shall be so advised in writing.
- G. With respect to charitable remainder trusts, the value of the charitable remainder (regardless of the amount of the charitable deduction) must be at least 10% of the net fair market value of the property transferred to the trust on the date of the contribution.
- H. Annual information in the form of IRS Schedule K-1 or substitute K-1 and necessary supplemental information will be provided by WI to donors in a timely manner.
- I. Charitable Remainder Unitrusts
 - 1. The minimum initial gift to fund a Charitable Remainder Unitrust shall be cash, publicly traded securities or readily marketable real estate with a value of at least \$100,000. Subsequent additions to the unitrust may be made at any time unless the trust agreement provides otherwise. The percentage to be paid by the unitrust to the donor or to the donor's designee(s) shall be approved by the President of WI. In no event shall the rate

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be less than five percent (5%). Representatives of WI will discuss appropriate charitable remainder trust variations with donors, including “straight,” “net income,” “net income with make-up,” and “flip” unitrusts.

2. WI will accept unitrusts that last for no more than two measuring lives, for a selected term of years with a term of no longer than 20 years, or an appropriate combination of both.
3. WI will encourage donors to create an endowment at the same time a charitable remainder trust is created. Such an endowment would receive the proceeds of a charitable remainder trust at the death of the last life income recipient, allowing the payment of net income to charitable organizations in perpetuity.

J. Charitable Remainder Annuity Trusts

1. The minimum initial gift to fund a Charitable Remainder Annuity Trust shall be cash, publicly traded securities or readily marketable real estate with a value of at least \$100,000. No additions to the annuity trust may be made at any time. The annuity amount to be paid annually by the annuity trust, to the donor or to donor’s designee, shall be approved by the Gift Acceptance Committee.
2. WI may accept annuity trusts that last for no more than two measuring lives, for a selected term of years if such term is no longer than 20 years, or for an appropriate combination of both.

K. Charitable Lead Trusts

1. The minimum initial gift to fund a Charitable Lead Trust (either a lead unitrust or a lead annuity trust) shall be cash, publicly traded securities or readily marketable real estate with a value of at least \$250,000. Subsequent additions to the lead unitrust may be made at any time subject to the approval of the President of WI. No additions are permitted to a lead annuity trust.
2. The percentage to be paid annually by the lead trust to the charitable designee shall be approved by the Gift Acceptance Committee.
3. WI may accept lead trusts of any length or term, whether they be measured by lives or by a term of years.

L. WI will serve as trustee of a charitable trust only when such service is approved by the President of WI after consideration of the trust as a whole and a review of the trust instrument.

M. As trustee, WI may hire attorneys, accountants, agents, investment advisors, investment managers and brokers whose services are reasonably necessary to the administration of the trust estate, and it may delegate acts that are merely mechanical or ministerial, although

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discretion with respect to investment authority may not be delegated without specific authorization in the trust instrument.

- N. As a general rule, the initial corpus of a charitable trust should be conveyed to the trust simultaneous with the execution of the trust by the donor.

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Policy No. 11 – Endowments

- A. In working with prospective donors, care will be taken to assure that the person creating the fund fully understands that the fund is irrevocable and understands the process by which payments will be made to beneficiaries. All prospective donors will be urged to seek advice of their own legal and/or tax counsel. The relevant WI staff member will communicate clearly to the prospective donor that he or she represents WI.
- B. No Endowment will be accepted if, under any reasonable set of circumstances, the gift would jeopardize the donor's financial security.
- C. A WI staff member will make every effort to meet personally with the prospective donor.
- D. All Endowment agreements entered into with WI in every instance must benefit exclusively charitable, religious or educational causes.
- E. Endowments may designate beneficiary institutions, or WI may make distributions pursuant to WI's Account Management Policy and the Texas Uniform Prudent Management of Institutional Funds Act by grant considering written guidelines in the agreement.
- F. When WI makes distributions by grant, every effort will be made by WI to comply with the donor's wishes and intent with respect to the gift.
- G. If, at the time a distribution is to be made, the named beneficiary is not in existence, distribution will be made in accordance with the donor's wishes as expressed in the gift instrument, or if none, at the sole discretion of the Grants Committee of WI in a manner consistent with the original purpose of the fund.
- H. Endowments may be funded with cash, unrestricted publicly traded securities, life insurance, and readily marketable real estate. Endowments may also be the beneficiary of a charitable gift annuity or a charitable remainder trust.
- I. No Endowments will be accepted with an anticipated balance of less than \$25,000 in assets.
- J. WI will provide gift receipts meeting Internal Revenue Service substantiation requirements for Endowments.

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Policy No. 12 – Donor Advised Funds

- A. In working with prospective Donor Advised Fund donors, care will be taken to assure that the person creating the fund fully understands that the fund is irrevocable and understands the process by which payments will be made to beneficiaries. All prospective donors will be urged to seek advice of their own legal and/or tax counsel. The relevant WI staff member will communicate clearly to the prospective donor that he or she represents WI.
- B. No Donor Advised Fund will be accepted if, under any reasonable set of circumstances, the gift would jeopardize the donor's financial security.
- C. A WI staff member will make every effort to meet personally with the prospective donor.
- D. Donors of Donor Advised Funds, or donor's designee, may advise WI regarding the distribution of any amounts held in the fund. WI will consider the recommendations made by the donor or donor's designee, but final determination of all distributions shall be in the sole discretion of WI. The donor may designate successor advisors of the Donor Advised Fund.
- E. All donor advised funds entered into with WI in every instance must benefit exclusively charitable, religious or educational causes.
- G. A distribution from a Donor Advised Fund may not provide any sort of personal financial gain or benefit to the donor or the donor's family except where the donor itself is a public charity.
- H. Donor Advised Funds may be funded with cash, unrestricted publicly traded securities, life insurance, and readily marketable real estate. The President of WI must approve any exceptions to this policy.
- I. No Donor Advised Fund will be accepted with an anticipated balance of less than \$10,000 in assets.
- J. No distribution will be made from a Donor Advised Fund for less than \$250.00.

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Policy No. 13 – Gifts of Life Insurance Policies

- A. WI will accept two types of life insurance gifts:
 - 1. gift of a paid-up insurance policy;
 - 2. gift of a new or existing insurance policy, for which the donor intends to continue making payments so that the policy does not lapse.
- B. In either case, the donor must name WI as both the owner and the beneficiary of the insurance policy.
- C. WI will make payments on a policy if the donor makes annual gifts at least equivalent to the amount of the premium. WI is under no obligation, but may continue to pay the premiums if the donor does not make the equivalent annual gift.
- D. WI never recommends agents or agencies and never endorses insurance programs. Those considering gifts of new insurance are urged to survey the market by reviewing the products of a number of companies.

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Policy No. 14 – Retirement Plans/IRA Benefits

- A. WI may be named as a primary, secondary, partial, or contingent beneficiary of a retirement plan or IRA.
- B. WI should ensure that the beneficiary designation form for a retirement plan or IRA payable to WI and/or to a charitable trust of which WI is a beneficiary is properly worded.
- C. Upon the donor's death, WI will instruct the plan or IRA trustee to make the distribution in cash rather than in-kind.

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Policy No. 15 – Bargain Sales

- A. WI is authorized to enter into a bargain sale with donors, to purchase property of an appropriate nature at less than its fair market value. While each proposed bargain sale gift must be considered on an individual basis, it is the policy of WI to purchase such property for no more than 50% of its established or appraised value, and the property must have a minimum fair market value of \$100,000 at the time the gift is made. WI may only expend or commit its undesignated and unrestricted fund assets for any bargain sale transaction.
- B. Prior to entering into any bargain sale transaction, the policies and procedures concerning real estate gifts in general, as described in Policy Numbers 8 and 17, shall be followed.

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Policy No. 16 – Life Estate Agreements

- A. Remainder interest gifts in personal residences will not be accepted without the approval of the Gift Acceptance Committee.
- B. WI may enter into a life estate agreement on a primary residence, vacation home, farm, ranch, or other real property interest that the Gift Acceptance Committee deems suitable, beneficial, or advisable for use or investment by WI. The minimum fair market value of the property must be \$100,000 at the time of the gift. In general, a life estate agreement should not be entered into for more than two measuring lifetimes.

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Policy No. 17 – Environmental Assessment

- A. The following policies apply to all gifts and proposed gifts relating to or subject to real property.
- B. No real property may be accepted for ownership or control until compliance with the following policies and the procedures has been achieved.
- C. The policy of WI is to minimize and, when possible, avoid environmental liability arising from the ownership or control of real property, mineral interests, or other real property or mineral interests (hereinafter referred to collectively as “real property”) by taking actions that are reasonably appropriate to determine the extent of any environmental contamination before accepting ownership or control of the real property.
- D. Gifts of real property are generally acceptable only after a determination that no reasonable possibility exists that any environmental related liability to WI could arise out of, or from, any activity or condition on, in, under, or of the real property. The actions to be taken in making this determination include inspections and environmental assessments, as appropriate, of the real property. The inspections and environmental assessments will be tailored to meet the specific characteristics of the real property.
- E. Notwithstanding the provisions of Paragraph D immediately above, a gift of real property may be accepted even if a reasonable possibility exists that environmental related liability to WI could arise out of, or from, any activity or condition on, in, under, or of the real property if the President of WI determines that the exposure can clearly be contained and the cost of remediation is reasonable.
- F. Even if a proposed gift of real property satisfies WI environmental assessment policies and procedures, the President of WI has final authority whether to accept or reject a proposed gift of real property. No real property may be accepted for ownership or control until the acceptance is agreed to and approved by the President of WI.

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Policy No. 18 – Donor’s Professional Counsel

Recognizing the array of professional expertise required to plan a charitable gift and avoiding even the appearance of a conflict of interest, WI staff members will always encourage donors to seek their own professional counsel.

WI may sometimes provide gift-planning information that addresses the needs of the donor and assists the donor’s professional advisors. That information may include sample documents and financial projections for specific gift options. To protect WI from potential claims that a gift was incompetently presented and/or solicited with undue influence and because WI representatives do not represent the donor, the donor will be encouraged, in writing, to finalize any documents and review all projections with his or her own advisors to ensure that the donor is receiving proper income tax, gift and/or estate planning advice. In all cases, WI representatives will seek the opportunity to emphasize that their client is WI, and that they do not represent the donor.

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Policy No. 19 – Authority to Staff

Staff has the authority to accept gifts within the guidelines of these policies with the exception that certain types of gifts which may require a payment stream back to the donor(s) with a potential liability exceeding \$250,000, if first approved by the WI staff designated by the President of WI, must be approved by the Loan and Investment Committee by electronic vote and reported to the full board at the next board meeting. In that regard, WI staff appointed by the President will carefully review all gifts before receipt.

These policies should be read as a whole and all applicable sections followed. (For example, if real estate is used to fund a Charitable Remainder Unitrust and subsequently an Endowment, policies 8, 10, 11, and 17, and general policies 1, 2, 18, 19 and 20 should all be read together and applied to the gift.)

WI's staff and Board members shall not benefit personally from fees related to gifts received, and WI shall not pay finder's fees to any other person. WI staff and Board members shall not participate in any activity which could be deemed a conflict of interest. Additionally, WI staff will abide by the following:

PREAMBLE

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent.

This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and as such often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. PRIMACY OF PHILANTHROPIC MOTIVATION

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. EXPLANATION OF TAX IMPLICATIONS

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

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III. FULL DISCLOSURE

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

IV. COMPENSATION

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finders fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. COMPETENCE AND PROFESSIONALISM

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

VI. CONSULTATION WITH INDEPENDENT ADVISORS

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisors of the donor's choice.

VII. CONSULTATION WITH CHARITIES

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor, early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

VIII. DESCRIPTION AND REPRESENTATION OF GIFT

The Gift Planner shall make every effort to assure that the donor receives a full description

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and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

IX. FULL COMPLIANCE

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. PUBLIC TRUST

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.

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Policy No. 20 – Amendment to Policy

Amendments to this policy require the majority vote of the Board of Directors.