

**NAWBO INSTITUTE FOR ENTREPRENEURIAL DEVELOPMENT**  
**GIFT ACCEPTANCE POLICY**

**Purpose of Policy**

This gift acceptance policy (this "**Policy**") establishes guidelines governing the acceptance of gifts by NAWBO Institute for the benefit of any of its operations, programs, or services, and provides guidance to prospective donors and their advisors when making gifts to NAWBO Institute.

**General**

1. **Authority.** The Board of the NAWBO Institute ("Board") has the authority to solicit and accept gifts on behalf of the NAWBO Institute in compliance with this Policy.
2. **Discretion.** NAWBO Institute's acceptance of any gift is at the discretion of NAWBO Institute. NAWBO Institute will not accept any gift unless it can be used or expended consistent with NAWBO Institute's purpose and mission; it does not jeopardize NAWBO Institute's tax-exempt status; or it does not violate NAWBO Institute's policies or local, state, or federal laws.
3. **Financial Security.** No irrevocable gift, whether outright or life-income in character, will be accepted if, under any reasonable set of circumstances, the gift would jeopardize the donor's financial security.
4. **Corporate and Tax Status Compliance.** The Board shall review any gifts with restrictions and will not accept gifts with restrictions that (a) would result in a violation of NAWBO Institute's certificate of incorporation or loss of its tax-exempt status or (b) are otherwise found inappropriate or inadvisable.
5. **Exceptions.** Requests for all exceptions to this Policy should be referred to Jen Earle (jearle@NAWBO.org). If it is determined that further review is warranted, the case will be brought to the Board to make the exception decision.
6. **Appropriate Documentation.** NAWBO Institute will ensure that appropriate documentation accompanies each gift. Appropriate documentation may include a commitment in writing from the donor, his or her attorney or financial adviser, or a copy of the bequest intention, retirement plan, or other document outlining the ultimate source of the gift. Documentation should include a statement about the assumed value of the gift. All checks must be made payable to "NAWBO Institute" and will not be made payable to an employee, volunteer, or any other agent for the credit of NAWBO Institute.
7. **Tax Receipts.** NAWBO Institute will use tax receipts to acknowledge the receipt of gifts

in writing. All gifts are acknowledged with an official charitable receipt that includes, at a minimum, the gift amount, gift date, and designation of the gift as well as a notice that the gift is a tax-deductible as a charitable donation. This document is deemed to be the official acceptance of the gift.

8. **Advisors.** Advisors who provide professional services may be retained by NAWBO Institute to prepare documents or render advice in any form to NAWBO Institute or to a donor of NAWBO Institute. NAWBO Institute will disclose that:

- The professional involved is in the employ of NAWBO Institute and is not acting on behalf of the donor, and
- Any documents or other advice rendered in the course of the relationship between NAWBO Institute and the donor should be reviewed by counsel for the donor prior to the completion of the gift.

9. **Gifts Subject to Review.** Certain gifts may require board review.

- The following gifts may not be accepted unless reviewed by the Board. Gifts subject to such review include, but are not limited to:
  - Closely held securities and interests,
  - Real property,
  - Life insurance policies,
  - Life estate gifts,
  - Annuities,
  - Endowments, and
  - Gifts whose source or value is not transparent.
- In conducting the review, the Board must consider any obligations created or liabilities posed by the gift for NAWBO Institute, including but not limited to:
  - Marketability of the gift,
  - Carrying and appraisal costs,
  - Ongoing fiduciary obligations,
  - Issues with title,
  - Reputational harm from accepting the gift, and
  - Restrictions on use of the gift, both imposed by the donor and legally (e.g., conditions, covenants, easements, liens, or encumbrances).

10. **Use of Counsel.** NAWBO Institute will seek the advice of legal counsel in matters relating to the acceptance of gifts when appropriate. Review by counsel is recommended for:

- Gifts of securities that are subject to restrictions or buy-sell agreements,
- Documents naming NAWBO Institute as trustee or requiring NAWBO Institute to act in any fiduciary capacity,
- Gifts requiring NAWBO Institute to assume financial or other obligations,
- Gifts of real property,

- Transactions with potential conflicts of interest, and
- Gifts of property that may be subject to environmental or other regulatory restrictions.

### Gift Types

1. **Gift of Real Property**, also known as real estate, is land together with anything that is permanently attached to it, whether natural or artificial. This includes such items as trees, buildings, fences, and swimming pools. For gifts of real property, NAWBO Institute must request an independent signed qualified appraisal as part of the institution's evaluation of the gift's acceptance. The appraisal shall be provided at the expense of the donor. NAWBO Institute will accept gifts of real property provided that NAWBO Institute obtains an environmental survey of the property or approval from legal counsel.
2. **Gifts of Personal Property** is anything that is not real property. Personal property consists of two categories: tangible personal property and intangible personal property.
  - **Tangible Personal Property** is physical property, other than land or buildings (real property), that may be seen or touched. Unlike real property, tangible personal property is movable. Examples of tangible personal property include furniture, artwork, jewelry, books, and vehicles such as automobiles, rare manuscripts, historical memorabilia, and equipment such as computer hardware, and other specialized scientific instrumentation.

For gifts of tangible personal property, NAWBO Institute may request a qualified appraisal of the property as part of the Board's evaluation of the gift's acceptance. The appraisal shall be provided at the expense of the donor.

- **Intangible Personal Property** is personal property the value of which stems not from its physical form or characteristics but rather from its intangible nature, such as patents, copyrights, and trademarks.
3. **Gifts-in-Kind (GIKs)** are generally defined as non-cash donations of materials or long-lived assets other than real property. NAWBO Institute will accept, in its discretion, GIKs if they directly serve a need of NAWBO Institute.

### Information about Unrestricted Gifts

**Unrestricted Gifts** are vital to NAWBO Institute because they may be used in areas where the Institute most needs resources, at the discretion of NAWBO Institute. At this time, NAWBO does not accept restricted gifts.

### **Methods of Commitment**

1. **Cash Contributions** are accepted as single gifts or in multiple payments. They include cash, checks, Electronic Funds Transfer (EFT), payroll deduction, credit card charges, and/or IRA distributions.
2. **Pledges** are commitments to give a specific dollar amount to one or more funds within a specified period of time, generally over a span of years. The following minimum information must exist to substantiate a pledge:
  - The amount of the pledge must be clearly specified;
  - There must be a clearly defined payment schedule or a specified end date;
  - The pledge designation(s) must be identified;
  - The evidence of the pledge should include words such as "promise," "agree," or "will" rather than "intend," "plan," "hope;"
  - Emails/letters from a party other than the donor(s) cannot be accepted as documentation of a pledge.
3. **Oral pledges** or verbal statements of intent should not be counted or reported in campaign totals but should be documented in the donor file for stewardship purposes.
4. **Deferred or Planned Gifts** are a broad description of charitable gifts that provide a deferred benefit to the charity. Final designation for such gifts should be clearly stated and approved by NAWBO Institute when the instrument is written.