

Wayne State Foundation Gift Acceptance Policy

I. Introduction

The Wayne State Foundation (Foundation), through the Executive Committee of the Board of Trustees for the Foundation (EC), understanding its mission and responsibilities for accepting gifts for the benefit of Wayne State College (College), has established the following Gift Acceptance Policy, the (Policy). The purpose of the Policy is to give guidance and counsel to those individuals within the Foundation and the College community concerned with planning, promoting, soliciting, receipting, accepting, and disposing of gifts. All gifts are to be accepted or rejected in accordance with the policies set forth herein. To prevent misunderstanding and conflicts, these guidelines should be viewed as flexible and realistic in order to accommodate unpredictable fundraising situations and donor expectations. Such situations and expectations, however, must be consistent with the College's mission and this Policy.

II. Gift Acceptance Policies

The EC, through the Executive Director of the Foundation, (ED), is responsible for formulating, implementing and amending the gift acceptance policies of the Foundation.

The ED shall submit to the EC for approval or review any gift deemed an exception to the standards as outlined in the Policy and/or the gift has been challenged regarding its origin or scope. The EC will review the information and, if the issues involved are not satisfactorily resolved, may accept or reject the gift in question. If the issues involved are not satisfactorily resolved, the EC may either request additional information or decline or return the gift.

III. Policy Amendment and Review

Responsibility for review of and recommended amendments to the policy shall be that of the ED. The ED and members of the EC may propose amendments to the policy. This policy shall be reviewed annually and whenever it becomes inconsistent with the Internal Revenue Code of 1986, as amended, (the "IRC"), the regulations promulgated thereunder, or other applicable state or federal laws. Policy amendments shall be in writing and submitted to the EC for review and approval.

IV. Foundation Acceptance of Gifts

The EC, shall through the ED or the ED's designee, accept all philanthropy to the Foundation, provided such gifts are in conformity with the Policy. The ED should follow the guidelines set forth in this policy, particularly when negotiating or, when authorized, entering into endowment agreements, trust agreements and other restricted gift agreements or deferred agreements.

Once the Foundation has accepted a gift, it becomes Foundation property. From the point of gift acceptance by the Foundation, the donor has no direct decision-making power regarding the disposition of the gift.

The level of information required by the Foundation to make an informed decision regarding the acceptance of a gift will vary depending upon the nature of the gift. If it appears that a gift may not be acceptable from the onset of discussions with the donor, the ED will endeavor to reach that conclusion, or as appropriate, review the potential gift with the EC as soon as possible to promote good relations with prospective donors and encourage alternative types of contributions.

V. Gift Definition

A gift is defined as a voluntary transfer of assets from a person or an organization to the foundation where no goods or services are expected, implied or forthcoming for the donor. Gifts usually take the form of cash, securities, real property or personal property. The following criterion generally identifies a gift:

- A gift is motivated by charitable intent.
- Gifts are irrevocable transfers of assets. The Foundation is not obligated to return unexpended funds. (If for some reason, the Foundation is unable to comply with the donor's intent, or if the gift has been misdirected to the Foundation, a gift may be returned at the Foundation's discretion, less any out of pocket expenses.
- Gifts are not generally subject to an exchange of consideration or other contractual duties between the Foundation and the donor, except for certain deferred gifts as set out in this policy, although objectives may be stated and funds may be restricted to a specific purpose.
- A period of performance is not specified.
- Formal financial accounting to the donor is not required. A general report to the donor stating the utilization or impact of the gift is appropriate, and may be desirable, especially in the case of memorial or scholarship gifts.
- Generally, funds received from individuals, closely held corporations, and family foundations will be classified as gifts. Funds received from corporations, corporate foundations, and major foundations are classified as gifts unless the grant requires performance or other consideration.
- A gift is not completed until it has been accepted by the Foundation.

VI. Restricted Gifts

A gift may be either unrestricted or restricted to a general area of use that contributes to the benefit of the College. If the restriction(s) placed on the use of the funds contributed to the Foundation have been rendered illegal, unreasonable or unable to be fulfilled, and if the donor(s) is unavailable to alter the account restriction(s), the Foundation may consult with the College President and other appropriate College

personnel and may, if necessary, seek approval of a court with jurisdiction to remove or modify such restriction(s). If termination of the restriction(s) is sought, the Foundation will seek to use such funds for a purpose that reflects as near as possible the original restriction. Restrictions shall be deemed unreasonable or unable to be fulfilled due to circumstances, including, but not limited to: the termination of a College program; a surplus of funds available from other sources to fulfill the designated purpose; the insufficiency of the restricted funds to fulfill the designated purpose where no funds from other sources are available to supplement the restricted funds; and the designated purpose is no longer consistent with the mission of the College and its individual programs.

VII Permanently Restricted Funds

A. Guidelines

1. The Foundation has a preference for unrestricted **Gifts**: because they provide the Foundation with the greatest flexibility to direct resources where they are most needed at any particular time.
2. From time to time, a supporter will decide to restrict a gift. These guidelines will help the Foundation in responding to requests by donors to restrict their gifts.
 - (a) When a gift is restricted by time: permanently restricted gifts to create a named fund must be in the amount of \$10,000 or more. Smaller donations should be directed to the Foundation as a part of the annual campaign, to a specific department or program area.
 - (1) The minimum amount to create an endowed name scholarship is \$10,000.
 - (2) The minimum amount to create an endowed name lectureship is \$25,000.
 - (3) The minimum amount to create an endowed name department fund is \$10,000
 - (4) The minimum amount to create an endowed name chair is \$500,000
3. Pledges: pledges can be paid over a period not to exceed five years.

B. Gifts to Named Funds

A fund can be named after the donor, in recognition of another individual, or for a particular interest of the donor.

C. Gift Agreements

The Foundation will work with donors and/or their representatives to document donors' expectations regarding criteria for the use of restricted gifts. When unusual restrictions are requested, the Foundation will negotiate alternative language in good faith. In the absence of a Gift Agreement, correspondence with the donor will carry the same weight.

D. Gifts Outside These Parameters

When the Foundation receives a gift or an offer of a gift that is less than \$10,000 or one that would require a separate fund not equal to \$10,000, the staff or volunteer who receives the gift offer should discuss the following options with the donor.

1. Increase the amount of the gift through a multi-year pledge.
2. Eliminate the designation and make an unrestricted gift.
3. Temporarily restrict the funds to be used over a pre-determined period (not to exceed five years)
4. Direct the gift to the annual fund of the Foundation or an existing fund.

VIII Gift Acceptance Conditions

The Foundation will accept only gifts that are consistent with the core educational values of the College and are:

1. Compatible with the mission of the College and of its individual programs;
2. In compliance with the IRC and other federal statutes, regulations, rulings, or court decisions that stipulate the conditions under which contributions can be tax favored; and
3. Compatible with the Foundation's tax-exempt status. The Foundation will not accept any gift that:
 - a. violates any federal, state or local statute or ordinance;
 - b. creates a fund to provide for scholarships, fellowships, professorships, chairs or lecture series with restrictive clauses that could cause embarrassment to the College, or that reserve to the donor or his/her representative the right to designate the recipient;
 - c. contains a condition that requires any action on the part of the College that is unacceptable to College administration;
 - d. commits the College to name a fund where the gift is potentially revocable in any way;
 - e. requires the College and its administration to employ a specified person now or at a future date;
 - f. contains unreasonable conditions (i.e. a lien or other encumbrance) on gifts of partial interests in property;
 - g. requires tuition payments for a family member of the donor;
 - h. exposes the Foundation to litigation or other liabilities;
 - i. appears to be financially unsound.

As a general rule the Foundation will immediately sell all gifts of stock or property so that it can invest the proceeds in accordance with the Foundation's investment policy.

The Foundation recognizes that the donor must have donative intent and accept the gift's fair market value as determined in accordance with procedures outlined in the policy. When applicable the foundation will report the sale proceeds on IRS Form 8282.

Under no circumstances will the Foundation agree to hold properties for more than two years if the donor's primary intent for such a provision is to circumvent IRS requirements.

IX Fees

A. Finder's Fees or Commissions

No Finder's fee or commission of any type will be paid by the Foundation to any party in connection with the completion of a gift to the Foundation without the prior written approval of the EC.

B. Professional Fees

All fees incurred by the donor in the completion of a gift to the Foundation will be paid by the donor unless in extraordinary circumstances payment, or a portion thereof, by the Foundation is authorized by the ED or EC.

C. Administrative Fees

To the extent permitted by law, the Foundation reserves the right to levy an administrative fee on all accounts administered by the Foundation. The EC Finance Committee shall recommend and the EC shall establish fees. An annual fee equal to 1% of endowed funds has been in place and unchanged for many years. The Foundation does not take a fee if the earnings on the endowment are inadequate.

X Appraisals

All appraisals of real and personal property contributed to the Foundation shall be done in accordance with IRS Publication 561, "Determining the Value of Donated Property." An MAI appraiser should prepare a real property valuation. A qualified appraiser acceptable to the Foundation should appraise personal property. Expenses incurred to obtain an appraisal shall be the responsibility of the donor.

XI Legal Counsel

The Foundation shall encourage donors to consult independent tax and/or legal counsel prior to making a contribution to the foundation. It will be the donor's responsibility to directly employ and compensate independent legal and tax counsel on these transactions. Prior to signing gift agreements, such as gifts of partial interests, charitable remainder trusts and charitable lead trusts, counsel for the donor should review and approve the document.

XII Gift Acknowledgement

The Foundation will acknowledge the receipt of all gifts in writing and in a manner that satisfies the IRS's substantiation requirements set forth in IRC Section 170 (f) for the deduction of charitable gifts by individual donors.

A. Determining Date of Gift to the Foundation

The date of a charitable gift is the date the asset ceases to be in the donor's control and, instead, is within the Foundation's control. The Foundation adheres to the rules of gift acceptance required by the Internal Revenue Service:

1. Mail: the postmark date
2. Hand delivery: the date of physical receipt
3. Wire transfer: the date received in the brokerage account of the Foundation
4. Journal Entry: the date of transfer into the Foundation name on the books of the corporation.

Charitable remainder trusts, charitable lead trusts and charitable gift annuities are created on the date they are funded according to the above rules. No payments may be made to an income beneficiary until that date.

XIII. Types of Acceptable Gifts

Gifts can be either outright or deferred. The most common gifts to the Foundation are outright gifts. In addition to cash gifts, the Foundation accepts gifts of securities, real property, and personal property. Deferred gifts, also called planned gifts, are arranged with the Foundation during the donor's lifetime, but the benefits do not accrue until a later time, usually after the death of the donor or his/her beneficiaries. Bequests are the most common deferred gift. Other such gifts include naming the Foundation as the owner and beneficiary of a life insurance policy.

A. Outright Gift

1. Cash and Checks
 - a. Policy

Cash and checks shall be accepted regardless of the amount without prior approval.

- b. Guidelines

The value of any cash or check gift is its face value.

Checks should be made payable to:

Wayne State Foundation

and sent to:

Wayne State Foundation

1111 Main Street

Wayne, NE 68787

Funds may also be wire transferred to the Foundation. Donors should consult a representative of their financial institution to make contributions via wire transfer. Donors should also notify the Foundation when such transfers are initiated to ensure appropriate and time gift acknowledgement and that the gift is credited to the proper Foundation account. Direct such gifts to:

Institution: Elkhorn Valley Bank & Trust
ABA#: 104902172
Account #: 384011

2. Publicly-Traded Securities

a. Policy

Securities that are traded on the New York and American Stock Exchanges, as well as other major U.S. and foreign exchanges and the NASDAQ; corporate bonds; government issues and agency securities may be accepted by the Foundation without prior approval.

b. Guidelines

The Foundation shall sell such securities as soon as possible after the securities have been transferred to the Foundation. The value of a gift of securities is the mean (average) of the high and low of the stock(s) or bond(s) on the day the transfer is affected by the donor to the Foundation. The value of less actively traded securities, rarely traded securities or a security that does not trade on the gift date should be determined according to IRS Publication 561.

Donors should notify the Foundation of the securities being gifted, the number of shares, the intended gift date and the intended use of the gift.

Securities may also be wired directly to the Foundation's account via DTC. Direct such gift to:

Institution: Edward Jones
DTC#: 0057
Account #: 696-01059-1-1
FBO: Wayne State Foundation
Investment Rep: Ken Marra
PO Box 333
Wayne, NE 68787
(402) 375-2354

Other brokerage accounts may be opened to facilitate the transfer of stock to the Foundation.

If the donor has physical custody of the certificates, they should be mailed unsigned and by registered mail to the Foundation. Send signed stock/bond power form separately from the stock/bond certificates. The signature on the stock/bond power form separately from the stock/bond certificates. The signature on the stock/bond power must match the name on the certificates.

3. Closely Held Securities

a. Policy

Closely held or non-publicly traded securities may be accepted.

b. Guidelines

Valuation of closely held securities may be difficult due to infrequent trading which makes it difficult to establish fair market value. If a donation of closely held stock is being considered, IRS Publication 561 should be followed in valuing this type of security. Unless there is an active market for a security, if the value of the gift is estimated to be \$5,000 or more, the donor shall provide an appraisal report prepared by a qualified appraiser.

4. Restricted Securities

a. Policy

Restricted securities (also known as unregistered securities investment-letter stock, control stock or private placement stock) are infrequently given as gifts because of the difficulty in transferring ownership and determining fair market value.

b. Guidelines

If restricted securities are being considered as a gift to the Foundation, IRS Publication 561 should be consulted when determining the value of the securities. If the value of the gift is estimated to be \$5,000 or more, the donor shall provide an appraisal report prepared by a qualified appraiser.

5. Mutual Funds Shares

a. Policy

Mutual fund shares may be accepted by the Foundation.

b. Guidelines

The fair market value of mutual fund shares can be determined by the public redemption price of the shares on the valuation date of a gift of this nature. If such a price is not readily available, then the value shall be determined as if the shares were untraded securities pursuant to IRS Publication 561. The ED may authorize the opening of brokerage accounts for the purpose of share transfer and liquidation.

6. Gifts of Real Property

a. Policy

The Foundation may accept gifts of real property, both improved and unimproved, with the approval from the EC, and will sell such real estate as soon as possible.

b. Guidelines

One or more of the following items may be required in order to review a gift of real property:

- A title insurance commitment showing marketable title in the donor, free and clear of unacceptable encumbrances, issued by a reputable title insurance company;
- An MAI appraisal by a qualified appraiser;
- A phase one environmental audit by a qualified engineer indicating that ownership will not expose the Foundation to environmental liabilities;
- A market feasibility study for purposes of liquidation;
- Alta survey of the property by a registered land surveyor;
- Evidence of compliance with ADA (when applicable);
- A structural engineering report (when applicable);
- A review of leases (for commercial property);
- A disclosure statement for residential property (when applicable).

Under IRS regulations, a donor must pay for any initial appraisal made on the property. This is the responsibility of the donor to cover all the costs involved in transfer of the property including the cost of compliance with the Foundation's requirements outlined above. Special attention shall be given to the receipt of real estate encumbered by a mortgage. The Foundation's ownership of such property may give rise to unrelated business income tax for the Foundation and disqualification of certain split interest gifts unless handled in a proper manner.

7. Gifts of Real Property with Retained Life Estates or Other Restrictions of Limitations.

a. Policy

The Foundation may accept either a gift of real property with a retained life estate or subject to other interest(s) for terms of years, or other limitations as to timing of the vesting of the interest or use or sale restrictions with prior approval of the EC.

b. Description

A gift of real property with a retained life estate involves the transfer of the title to a personal residence or farm to the Foundation whereby the donor or another person retains use of the property for a term of years or the life/lives of the donor and/or another person.

c. Guidelines

Such gifts are subject to both the general conditions and the guidelines for acceptance of outright gifts of real property as set forth in Paragraph XII A 6 entitled "Gifts of Real Property." The Foundation shall encourage donors to consult independent tax and/or legal counsel prior to making a gift of this type. The agreement creating the life interest must provide that the donor and/or life tenant shall remain responsible for the payment of mortgages, taxes, insurance, utilities, maintenance/repairs and

all other costs associated with the property, unless other specific provision is made for the payment of these expenses. Donor(s) shall not violate or allow to be violated any environmental laws or ordinances covering this property.

8. Tangible Personal Property and Gift-In-Kind

a. Policy

In-Kind gifts are donations of any non-cash product, good or service. Examples include art objects, prized collections, antiques, products, computer software and hardware, office products and supplies, educational materials, etc. Gifts-In-Kind can be designed as one-time gifts or as on-going programs. Donors of gifts-in-kind receive recognition at the level appropriate to the gift.

b. Guidelines

Before a gift-in-kind can be accepted by the foundation, the ED shall ascertain that the type of gift is consistent with the mission and purposes of the college. If the college does not directly need the gift, the property must be readily marketable and the donor should understand that the foundation may choose to keep or sell the gift-in-kind property. If the gift property is sold by the foundation, the proceeds will accrue to the benefit of the campaign, program or school to which the gift was designated. Undesignated property will be sold, and the proceeds will be added to the general, unrestricted funds of the foundation. Consideration will be given to the cost of acceptance of the gift (shipping and handling charges), the long-term viability of the gift (maintenance, storage, insurance, etc.), and resale market. The foundation will provide a letter of acknowledgement for the gift-in-kind donation but will not assign a value to the donation. IRS regulations require a donor to file a form 8283 for all non-cash gifts of \$500 or more. At the request of the donor, the ED, or other agent of the foundation, will sign Section B, Part I, of form 8283. The form must be properly completed by the donor before submission to the foundation for signature. If the value of the gift is \$5,000 or more, then the IRS requires an independent appraisal from a qualified appraiser no more than 60 days prior to the date of donation. The appraisal cannot be prepared by the foundation and the cost of the appraisal is the responsibility of the donor. For gifts of \$5,000 or more, the IRS form must be signed by the donor (part II) and by the independent appraiser (part III) prior to submission of the form to the foundation. After the agent of the foundation signs part IV of form 8283 it will be returned to the donor. It is important that the donor attach the completed form 8283 to his/her tax return to avoid having the deduction disallowed.

If the foundation disposes of a non-cash gift valued in excess of \$5,000 within two years of the donation, it must report the disposition to the donor and the IRS on form 8282.

9. Bargain Sale

a. Policy

The Foundation, upon review and approval of the EC, may purchase real estate, securities, or other property on a bargain sale basis.

b. A “bargain sale” is a sale of property to the Foundation for an amount less than the property’s current fair market value. The excess of the value over the sales price generally represents a contribution to the Foundation.

c. Ordinarily the purchase price for the property should not exceed 60% of its appraised value. Exceptions may be made by the EC. The bargain sale price may be paid either in a lump sum or in installments. Restrictions as to the type of asset set forth shall also be met.

10. Other Personal Property

a. Policy

Other personal property of any description, including mortgages, notes, copyrights, royalties, partnership interest, closely held business interests, undivided interests in property, future and partial interests and other illiquid financial assets may be accepted only upon prior review and approval of the EC.

b. Guidelines

A written summary of the proposed gift shall be submitted to the EC. At a minimum, the summary shall include the following information:

- Description of the asset;
- The purpose of the gift, whether its unrestricted or restricted and if restricted the School(s), Department(s), scholarship(s), campaign(s), or project(s) to benefit from the gift;
- An estimate or appraisal of the asset’s fair market value and marketability;
- Potential for income and expenses, encumbrances, and carrying costs prior to disposition;
- Any environmental risks or problems revealed by audit or survey;
- Credit history or financial statement of financially responsible party, if applicable;
- Any special arrangements requested by the donor concerning disposition (e.g., price considerations, time duration prior to disposition, potential buyers, realtors or brokers with whom the donor would like the Foundation to list the property, etc);

5. Deferred Gifts

Any planned gift arrangement that requires execution by the Foundation shall be reviewed and signed by the ED or the Foundation’s legal counsel.

1. Bequests

a. Policy

Direct, unencumbered bequests shall be accepted by the Foundation if the underlying assets are in conformance with the guidelines set forth in Section A. "Outright Gifts". If the underlying assets are not in conformance with the guidelines, the bequest shall be referred to the ED for review. The Foundation reserves the right to reject gifts from the estates or trusts of deceased donors that are not in conformity with the terms of this policy.

b. Description

A bequest to the Foundation is made in the donor's will or revocable trust. The donor can designate a specific amount, a percentage, or the remainder of an estate to the Foundation.

2. Charitable Gift Annuities

a. Policy

Charitable gift annuities shall not be accepted by the Foundation without prior review and approval by the ED.

b. Description

A charitable gift annuity is a contract between the Foundation and the donor. The Foundation would agree to pay the donor (or other person named by the donor) a life time annuity in return for a gift of cash, securities, or other property. The payment may continue for the life of a second individual, such as a spouse. The payment is a fixed sum, the amount of which is based on the size of the gift and the number and ages of the beneficiaries. Rates of return under a charitable gift annuity are lower than the rates offered by commercial insurance companies so that a significant residuum will remain to benefit the College.

c. Guidelines

Upon approval of the Ed the Foundation will accept immediate payment gift annuities (those whose initial payment begins within one year of the gift date), as well as deferred payment gift annuities (those whose initial payment begins not less than one year, but not more than 20 years after the gift date). The minimum acceptable gift will be cash or the fair market value of securities valued at: \$10,000 for One or Two life immediate payment gift annuities and \$10,000 for One or Two life deferred payment gift annuities. Generally, gift assets will be limited to cash and readily marketable securities. Closely held stock will not be accepted.

The maximum annuity rates offered will be the current Uniform Gift Annuity rates and in the case of deferred payment gift annuities, the current Uniform Interest Factors, both adopted by the American Council on Gift Annuities. The ED may establish a maximum annuity rate chart that is lower, but never higher than at the Uniform Gift Annuity Rates of the American Council on

Gift Annuities. To conform to the federally mandated “Clay-Brown Rule,” the annuity rate offered will generate a charitable deduction of more than 10 percent of the fair market value of the assets given, or the annuity rate will be reduced to qualify for the deduction. Annuity agreements shall be limited to two lives. Immediate and deferred annuitants must have reached a minimum actuarial age of 60 for single annuitants and an average actuarial age of 60 for joint annuitants, with the youngest joint annuitant having reached the age of 50, before annuity payments begin. Annuity payments will be made no more frequently than quarterly.

Gift annuities shall be managed by the Foundation, and the Foundation may employ agents and advisors to assist with the administration and investment of annuity assets.

3. Charitable Remainder Trusts

a. Policy

The Foundation shall accept charitable remainder trusts. Where the trust is testamentary, that is, one that arises upon the death of the donor, the Foundation reserves the right to disclaim any interest that would be in violation of this gift acceptance policy.

b. Description

A charitable remainder trust is a separately administered trust established by the donor. It provides for payments to the donor and/or other named beneficiary(ies) either for life or a term of years (not exceeding twenty). At the end of that period the remaining assets are distributed to one or more charities.

A charitable remainder annuity trust pays a fixed annual amount to the income beneficiary, which must be at least 5% of the fair market value of the assets initially contributed to the trust. This amount does not change and no additional gifts may be made to the annuity trust after its creation.

A charitable remainder unitrust pays the income beneficiary a fixed percentage (at least 5%) of the fair market value of trust assets, as valued annually. Because the value of assets can be expected to change from year to year, the unitrust payment will vary in amount each year. Additional contributions may be made to the trust after it is established if the trust agreement so provides.

Three variations of the unitrust exist. A “straight” unitrust pays the income beneficiary the stipulated amount, even if it is necessary to invade principal to do so. A “net-income” unitrust pays the lesser of the stipulated amount or the actual net income, so principal will not be invaded. A “net-income with make-up-provision” unitrust is like the net income unitrust except that excess earnings can be applied to cover accrued deficiencies

resulting from the net income being less than the stipulated amount.

c. Guidelines

The Foundation may serve as trustee of any charitable remainder trust to which the initial contribution is at least \$50,000 where the Foundation or College is named as beneficiary.

4. Charitable Lead Trusts

a. Policy

Charitable lead trusts shall be accepted by the Foundation. Where the trust is testamentary, that is, one that arises upon the death of the donor, the Foundation reserves the right to disclaim any interest that would be in violation of this Policy.

b. Description

A charitable lead trust is a trust in which the income, or “lead” interest, is paid to the Foundation, and the “remainder” interest is given to one or more non-charitable beneficiaries, who could be either the donor or family members. The amount paid to the Foundation may be either a fixed sum (an “annuity trust” interest) or a percentage of the trust assets as valued each year (a “unitrust” interest). At the conclusion of the payment period, the trust assets are returned either to the donor or to someone designated by the donor.

c. Guidelines

The Foundation may serve as trustee of a charitable lead trust to which the initial contribution is at least \$100,000.

5. Designating the Foundation as Beneficiary

a. Policy

The Foundation will accept any proceeds that it receives as a designated beneficiary (or an alternate beneficiary) of a life insurance policy, a deferred annuity contract, an IRA, a defined benefit plan. A 401 (k) plan, a defined contribution (profit sharing) plan or other qualified plan.

6. Life Insurance Policies

a. Policy

The Foundation will accept gifts of life insurance policies, including whole life, variable and universal life policies, which meet the guidelines specified below.

b. Guidelines

Gifts of life insurance policies that meet the following three criteria may be accepted:

1. The policy is paid up

2. The Foundation is designated as the owner and the beneficiary of the policy. (While the policy will identify the Foundation as the beneficiary, the development officer should work with the donor to clarify the purpose of the gift by attachment of a memorandum, letter or account agreement to the policy.)
3. If intended for endowment purposes, the face value of the policy meets the minimum funding standards for endowments for its stated purpose(s) established by the Foundation and in effect at the time of the gift of the policy.

XIV Policy Effective Date

The Gift Acceptance Policy shall become effective on September 25, 2003. All gift agreements in effect at the time this Policy becomes effective shall continue in effect under the policies in place at the time the original gift was accepted.