

WEST VIRGINIA FIRST FOUNDATION

GIFT ACCEPTANCE POLICY

I. Purpose and Objectives

- A. Purpose. The purpose of this Gift Acceptance Policy (“**Gift Policy**”) is to protect the interest of West Virginia First Foundation (the “**Foundation**”) by ensuring all gifts to or for the Foundation are: 1) structured to provide maximum benefit to the Foundation and the donor, and 2) not restricted in a manner inconsistent with the mission of the Foundation. This Policy is intended to provide guidance and procedures to the Foundation’s Board, officers, and staff with respect to their responsibilities concerning gifts to the Foundation.
- B. Objective. This Policy is designed to affect the following specific objectives:
1. Except where stated otherwise, this Policy is to act as a guideline for the review process that is to be undertaken prior to the Foundation’s acceptance of gifts.
 2. To optimize funding from individuals and other entities to the Foundation.
 3. To allow for flexibility with respect to the evaluation and acceptance or rejection of a gift, to account for the decision-making process that involves a number of unrelated factors.
- C. Definitions.
1. “**Board**” means the board of directors of the Foundation.
 2. “**Director**” means a director on the Board.
 3. “**Simple Gift**” has the meaning assigned to it in Section VI of this Policy.
 4. “**Complex Gift**” has the meaning assigned to it in Section VII of this Policy.

II. Gift Definition. A gift is defined as a voluntary transfer of assets from a person, or an organization, to the Foundation and is an irrevocable transfer of assets that is motivated by charitable intent. Gifts are not generally subject to an exchange of consideration or other contractual duties contemplated between the Foundation and the donor.

III. General Policy. The primary consideration of gift acceptance will be the impact of the gift on the Foundation. Consideration of gift acceptance may include the following factors:

- A. Values. Whether the acceptance of the gift compromises any of the core values of the Foundation.
- B. Compatibility. Whether there is compatibility between the intent of the donor and the Foundation’s projected use of the gift.
- C. Public Relationships. If acceptance of the gift will damage the reputation of the Foundation.
- D. Primary Benefit. Whether the gift is to the primary benefit of the Foundation or the donor.
- E. Consistency. Whether the acceptance of the gift is substantially similar with prior practice.

- F. Form of Gift. Whether the gift offered is in a form that the Foundation can use without incurring substantial expense or difficulty.
- G. Effect on Future Giving. Whether the gift will encourage or discourage future gifts.

IV. Authority

- A. Board Authority. The Board shall review and evaluate all Complex Gifts Proffered to the Foundation to determine if acceptance of such Complex Gift is viable. Additionally, the Board reserves the right to review and approve any Simple Gifts, in addition to the review conducted by the Executive Committee, if: 1) in the judgement of the Executive Director, the gift warrants immediate action and the Executive Committee cannot convene, or 2) in the judgment of the Executive Director or the Executive Committee, the gift is of such extraordinary circumstances or if the type, amount, restrictions, or conditions pertaining to the gift are of significance or complexity.

Any Board review and approval shall be conducted in accordance with the voting requirements outlined in the Foundation's Bylaws, in effect at the time of the gift and in accordance with the Foundation's Conflict of Interest Provisions sets forth in the Conflict of Interest Policy.

For the review of any Complex Gifts, the Board may include outside legal counsel and such counsel's analysis in the Board's evaluation of the Complex Gift. For the Review of any Simple Gift, the Board also has the option to include outside legal counsel in its evaluation of the Simple Gift.

- B. Executive Committee Authority. The Executive Committee shall evaluate, review, and approve each Simple Gift proffered to the Foundation pursuant to the guidelines set forth in Sections V and VI in this Policy; provided, however, that the Foundation may accept ordinary course gifts of cash or cash equivalents that are not significant and are without restrictions or conditions.

V. Procedure

- A. Purpose of Gift. All gifts made to the Foundation shall be consistent with the tax-exempt purposes of the Foundation. All gifts shall be in compliance with the Internal Revenue Code and any other applicable federal or state statutes, regulations, rulings, and comparable tax-exempt statutes of the Foundation.
- B. Acceptance of Gifts.
 - 1. Evaluation. All Simple Gifts and Complex Gifts shall be evaluated and approved in accordance with Section IV of this Policy.
 - 2. No Material Restrictions. Any gift made to the Foundation shall not be directly or indirectly subjected to any material restriction of any such condition that prevents the Foundation from freely and effectively employing the gift or the assets or income derived therefrom, in furtherance of the tax-exempt purposes of the Foundation.
- C. Donor Relations.

1. Acknowledgement of Gift. The Executive Director shall acknowledge, or cause to be acknowledged, the receipt of all gifts in a contemporaneous writing to the donor that includes each of the following:
 - i. The name of the donor;
 - ii. The name of the done organization;
 - iii. The amount of cash and a description of any property other than cash contributed;
 - iv. A statement whether the donee organization provides any goods or services in consideration of the contribution; and
 - v. A description and good faith estimate of the value of any goods or services provided in consideration for the contribution.
 2. Legal Counsel. The Foundation shall encourage donors to consult an independent financial, legal and/or tax counsel in matters relating to the gift in question and any resulting tax and estate planning consequences. It is the donor's responsibility to directly employ and compensate independent financial, legal, and/or tax counsel.
 3. Costs. Any fees or costs associated with the transfer of a gift from a donor to the Foundation, including but not limited to attorney fees, accounting fees, or any other professional fees, appraisal costs, escrow costs, evaluation costs, title insurance costs, any environmental assessment fees and costs, or any other fees or costs shall be the responsibility of the donor unless such expenditures are specifically authorized by the Board in advance of the gift. Any such concessions should be described in the gift agreement.
 4. Filings. To the extent an accepted gift requires the donor to file any tax forms or any other documentation, the donor is responsible for those filings.
 5. Notice of Transfer. The donor shall notify the Foundation of its intent to transfer a gift to the Foundation at the Foundation's business address.
- D. Records Keeping. All files, records, and mailing lists of all donors and prospective donors are to be maintained and controlled by the Board, in accordance with the Records Retention Policy. All such information shall be confidential and used only by the Board and Foundation staff. Use of the information shall be restricted to the Foundation's purposes only. Each donor shall have the right to review their donor file.

VI. Simple Gifts. Any gift of the nature described in this Section VI below, shall be considered a "Simple Gift" that the Foundation may accept subject to review and approval in accordance with Section IV of this Policy.

- A. Cash and Cash Equivalents. Cash and cash equivalents shall include: cash, checks, credit cards, electronic funds transfer, and automated clearing house payments.
- B. Publicly Traded Securities. Publicly traded securities shall include securities that are readily marketable or traded on a recognized market exchange.

VII. Complex Gifts. Any gift of the nature described in this Section VII below, shall be considered a “Complex Gift” that the Foundation may not accept, except with the Board’s review and approval in accordance with Section IV of this Policy.

- A. **Tangible Personal Property.** Tangible personal property including, but not limited to, artwork, collectibles, antiques, jewelry, books, automobiles, boats, etc.
- B. **Intangible Personal Property.** Intangible personal property including, but not limited to, copyrights, patents, and royalties.
- C. **Mutual Funds.** Mutual funds including, but not limited to, interests in a managed investment program.
- D. **Corporate Ownership Interest.** Corporate ownership interests including, but not limited to, closely held stock, limited partnership, or limited liability company interests.
- E. **Real Estate.** Real estate including, but not limited to, residential, commercial, developed, and undeveloped real property.
- F. **Bargain Sale.** Bargain sales, including a gift resulting from a bargain sale transaction.
- G. **Bequests.** Bequests made through a will or other bequest vehicle or other estate planning or charitable contribution vehicle or arrangement; provided, that simple bequests of Simple Gifts can be accepted pursuant to the terms set forth herein.
- H. **Retirement Plans.** Retirement plans or interests therein, including, but not limited to, gifts from or related to retirement plans which shall include individual retirement accounts, 401(k) and 403(b) plans, or other qualified or non-qualified plans.
- I. **Life Insurance Policies.** Life insurance policies including, but not limited to, gifts of life insurance policies and proceeds of such policies.
- J. **Others.** Any other types of property or right therein not otherwise described in A-I above or as described as a Simple Gift herein.

VIII. Gift Agreements. Where appropriate, the Foundation shall enter into a written gift agreement with the donor, specifying the terms of any restricted gift, which may include provisions regarding donor recognition.