



Bill Wilson Center Endowment Fund and Gift Policies

Bill Wilson Center, hereinafter referred to as BWC, being a recognized 501(c)(3) organization, in accordance with the regulations of the Internal Revenue Service (the Code), does actively seek gifts of real and personal property to maintain and increase the standards of excellence with its charitable programs. This policy is designed to ensure that gifts contributed to, or for the use of BWC, are structured to provide maximum benefit to both the donor and BWC. This policy is applicable to gifts made to BWC, both current and deferred, in an effort to encourage the continued support of BWC.

It is the policy of BWC that the solicitation, evaluation, acceptance, acknowledgement, and treatment of all gifts are conducted in accordance with the standards and procedures set in the policy statement set forth herein.

Gift and Gift Acceptance Policies

Gift Acceptance: Gifts, other than outright contributions or pledges of cash, check, or publicly traded securities, must be recommended by the Executive Director to the Executive committee of the Board for approval. Prior to accepting certain types of gifts that carry an associated cost (examples of which include but are not limited to debt, closing costs, or physical enhancements on real property), it is necessary that the cost be evaluated prior to utilizing other resources of BWC to meet this requirement.

The authority and responsibility for evaluation of such associated cost is placed upon the Executive Director, or the assigned designee. After consideration of pertinent factors, if it is determined that use of the gift is not in the best interest of BWC, the Executive Director may recommend declining the gift. If it is determined that the arrangement is in the best interest of BWC, then the Executive Director may recommend accepting the gift and seek the approval of the Executive Committee.

When BWC is notified by a prospective donor of the intent to restrict a gift, the Executive Director, or the assigned designee, shall contact the prospective donor regarding the restriction to determine if it is in the best interest of BWC. If an understanding is reached, the Executive Director may recommend accepting the gift and restriction to the Executive committee.

To protect the interests of the donor, as well as those of BWC, federal and state tax laws require an appraisal by a qualified independent appraiser of any non-marketable assets contributed. The Donor, at their own expense, shall obtain such qualified appraisal and supply a copy of it to BWC.

Stewardship: The staff, volunteers, and members of BWC shall consider matching the interest of the donor with the needs of BWC as the priority in discussions and planning of gifts.

All information, pertaining to a donor, the donor's assets, or the gift being presented to BWC or the donor's philanthropic intentions shall be held in confidence. Information on donors will be provided to individuals within BWC, or to accountants and attorneys engaged by BWC, on a need to know basis. Donors will be asked whether they prefer to have their name withheld from any published list of donors.

Prospective donors need to consult their own counsel in matters pertaining to their gift planning, taxes, and estate planning activities. In the event a prospective donor does not have their own counsel, BWC staff shall not provide any gift planning, tax, estate planning or legal advice to any donor. BWC staff may provide a list of names and contact information for income tax, estate tax, and other legal professionals to the prospective donors who request such information.

Information about the Endowment Fund will be provided in the BWC annual report, which will also include recognition of contributors. Upon the request of a donor, a status report of the Endowment Fund will be sent to the donor showing the fund's value, and how income from the Fund was used to further the mission of BWC.

The staff, volunteers, and members of the Board of BWC are encouraged to identify, assist, and provide educational material on gifting to BWC. However, only those individuals assigned by the Executive Director, or the assigned designee or those individuals so assigned, will coordinate the solicitation of gifts on behalf of BWC. The staff, volunteers and members of the Board of BWC must coordinate with individuals assigned by the Executive Director or the designee of those individuals so assigned prior to soliciting a gift.

Endowment Fund Policies

Bill Wilson Center has created an Endowment Fund to provide on-going support for BWC's mission. The investment objectives of the Endowment Fund are

preservation of capital and purchasing power, and long-term growth of assets in order to support the services provided by BWC in perpetuity.

Designation: Funds may be placed in the BWC endowment fund (the “Endowment Fund”) by donor designation or by board designation. Per Board policy, gifts from bequests, life insurance, charitable remainder or lead trusts, pooled income funds, retirement accounts, or other planned giving vehicles are placed into the Endowment Fund, unless otherwise specified by the donor (“Specialized Funds”). Exceptions will be made only with the recommendation of the Executive Director and approval by the Board of Directors.

All other gifts of at least \$50,000.00 may be restricted within the Endowment Fund at the discretion of the Board. The Endowment Fund may be pooled for management purposes with other assets; annual revenues and expenses reported will be shared proportionally with the entire asset pool.

Investment Policy: The Endowment Fund shall be managed by one or more professional investment advisors selected by the Investment Committee and approved by the Board. The Investment Committee shall review the performance of the investment advisor(s) at least twice annually, and report its findings to the Board of Directors.

Spending Policy: BWC shall not be entitled to a payout from the Endowment Fund until the fair market value of the Fund is equal to at least one million dollars (\$1,000,000). As of January 1st of the year immediately following the year in which the fair market value of the Fund reached one million dollars (\$1,000,000) and each January 1st thereafter, the annual payout amount from the Endowment Fund to BWC shall equal up to a maximum of seven percent (7%) (as approved by the Board) of the monthly average of the fair market value of the Endowment Fund for the previous 36 months (the “Payout”). The Investment Committee will recommend the annual Payout amount or percentage to the Board.

Payout: The Payout shall be paid first from the Endowment Fund’s annual income and second from the Endowment Fund’s previous 36 months of accrued income (including capital gains). In addition, if Fund income for any taxable year (including capital gains) exceeds the maximum 7% Payout, then the Payout for such taxable year may (at the sole discretion of the Board) also include such excess income, but only to the extent of the difference in the aggregate of the Payout in the previous 3 years and seven percent (7%) of the aggregate fair market value of the Fund for such 3 year period. As a result, the Payout in any one year may exceed the seven percent (7%) amount for that year but, in no event will the principal of

donor gifts to the Endowment Fund be expended. Over time, it is anticipated that the annual Payout will constitute only of a portion of the Fund's total return, thus building the value of the Endowment, offsetting inflation and preserving the purchasing power.

Documentation: Written acknowledgment of all contributions to the Endowment Fund, along with any communication regarding bequests, testamentary trusts, or other estate planning documents is to be retained by the Donor Relations department or other BWC departments designated by the Executive Director. These items will be filed and kept in a secure manner.

Contingencies: If the donor designated portions of the Endowment Fund can no longer be used in a BWC program as originally restricted, the Donor(s) shall be notified for appropriate disposition of the fund within BWC. If a Donor is deceased or, after reasonable effort by BWC can no longer be reached, the Board of Directors, at its sole discretion, may designate a new purpose for the funds.