



Building Sustainability through Board-Approved Policies

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Today we'll discuss

- Why gift acceptance polices are important
- Specific policies that will help build your endowment fund and promote a culture of sustainability

Remember the Drill

Annual Appeal



Endowment



Gift Acceptance Policies

Provide Discipline and Efficiency

Educate and Engage Your Board

Preserve Donor Relationships

Keep In Mind

Good policies will...

- Protect your organization
- Enable you to respond efficiently
- Create a framework to assess which gifts will benefit your organization
- Enhance donor relationships



Group Discussion

Types of Gifts

- Cash
- Securities – Publicly traded stock or mutual funds
- Closely held business interests
- Personal property
- Real property
- Gifts in wills, trusts, retirement funds and life insurance policies
- Planned gifts like charitable lead and remainder trusts and annuities (not very common)

Components of Gift Acceptance Policies

- The organization's mission
- The purpose of the policy
- Types of gifts that will be accepted, may be accepted upon review, and will not be accepted
- Required due diligence and guidance on when to involve committee, board and/or legal counsel
- Guidance on restricted gifts and use of funds
- Standards of conduct
- Gift acknowledgement and reporting requirements
- Breakdown of relevant fees
- Explanation of policy review



What tone do you want your policies to project?



Efficiency





Four Types of Funds

Operating
Fund

Reserve Fund

Long-Term
Designated
Fund

Endowment
Fund

A Tool to Promote Long-term Sustainability



Promote the Growth of Your Endowment

Policies for unrestricted bequests should:

- Be specific
- Acknowledge hierarchy of need
- Honor donor intent



A Transformative Gift

- Fund opened in 2011: **\$498,433**
- Initial Distribution: **\$25,000**
- Launched a planned giving program
- 2017: **\$1.7M** life insurance policy realized
- Distribution in 2018: **\$91,000**



Thank you!

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