



## **The National Society of Black Engineers**

### **Donation Policy**

- **About NSBE**

- The National Society of Black Engineers (NSBE) is one of the largest student-governed organizations based in the United States. NSBE, founded in 1975, supports and promotes the aspirations of collegiate and pre-collegiate students and technical professionals in engineering and technology.
- With thousands of members worldwide, NSBE's mission is *"to increase the number of culturally responsible Black engineers who excel academically, succeed professionally and positively impact the community."*

- **Policy Statement**

- The National Society of Black Engineers' giving policy provides guidance for how the Society receives, processes and categorizes contributions in accordance with IRS regulations. NSBE reserves the right to determine whether a gift fits the organization's mission, strategic plan and vision.
- NSBE will only accept gifts that are legal and consistent with NSBE's organizational policy. NSBE does not provide legal, financial, tax compliance or other professional advice to donors. Donors will be encouraged to consult their own legal, financial and/or tax advisors when considering making a gift.

- **Legal Notice**

- The National Society of Black Engineers reserves the right to consult legal counsel for all potential contributions.
  - Legal counsel will typically be sought for the following contributions:
    - Closely held stock transfers that are subject to restrictions or buy-sell agreements
    - Documents naming NSBE as Trustee
    - Gifts involving contracts, such as bargain sales or other documents requiring NSBE to assume a legal obligation
    - Gifts of patents and intellectual property
    - Transactions with a potential conflict of interest that may invoke IRS sanctions
    - Other instances in which use of counsel is deemed appropriate by NSBE's executive leadership

- **Gift Restrictions**

- NSBE will not accept gifts that are judged too difficult to administer or contrary to its mission, purposes or priorities.



- NSBE will not accept gifts that are overly restrictive, are impeditive to the Society or any of its related programs, increase administrative burden or operational costs, or yield financial or other risk.
- NSBE will not accept gifts that contain restrictions or language that unlawfully discriminates on the basis of race, creed, color, citizenship, national origin, religion, sexual orientation, gender identity, gender expression, age, marital or partnership status, military status or disability.
- NSBE will not accept gifts that generate donor influence over the hiring or continued employment of personnel.
- **Acceptable Types of Gifts**
  - Cash: Cash refers to cash equivalents, including checks, wire, money orders, currency/coin and credit card payments. Gifts of foreign currency shall require the approval of NSBE's chief financial officer.
  - Securities: NSBE can accept both publicly traded securities and closely held securities.
  - Gifts-in-Kind: see section "Gifts-in-Kind" below.
  - Property/Bargain Sales: Gifts of tangible personal property or bargain sales shall be subject to the approval of NSBE's Executive Leadership Team.
  - Bequests (estate and trust gifts): Donors and supporters of NSBE are encouraged to name the National Society of Black Engineers as a beneficiary in their will, trust, life insurance policy or retirement plans. These designations will not be recorded as gifts until the gift is irrevocable. When the gift is irrevocable but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
  - Life Insurance: NSBE will generally accept life insurance under the following conditions: (1) the National Society of Black Engineers is designated as the beneficiary of a life insurance policy through a beneficiary designation form (Such designations shall not be recorded until such time as the gift is irrevocable.); OR (2) the National Society of Black Engineers is both beneficiary and irrevocable owner of a paid-up life insurance policy. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt.
  - Retirement Plan Assets: Donors may name NSBE as a beneficiary of their retirement plans. Gifts will be recorded at such time as they are irrevocable.
  - Donor-advised Funds: NSBE may accept a designation as a beneficiary of a donor-advised funds. Distributions are recorded when received.
  - Charitable Remainder/Charitable Lead Trusts: NSBE may accept designation as remainder beneficiary of a charitable remainder trust or as income beneficiary of a charitable lead trust with the approval of the NSBE Executive Leadership Team. NSBE will not accept appointment as trustee of a charitable remainder trust or of a charitable lead trust.



- Trips/Special Events: When trips or special events involve a charitable contribution, the fair market value and the charitable contribution amount for each participant will be stated specifically in the promotional literature and donor acknowledgment letter. Donations given to offset the costs of a special event will be recorded as gift income, rather than as a credit to an expense account.
- **Charitable vs. Non-Charitable Designations**
  - Charitable gifts are all tax-deductible and must be freely given with no expectation of anything in return other than due thanks and recognition. See section “Acknowledgment/Records” below.
  - Non-charitable contributions yield a return from NSBE to the contributor. These are reciprocal exchanges: where cash or in-kind gifts are furnished, in exchange for marketing, ROI (return on investment), membership, services, event access etc. Per IRS regulations, NSBE cannot affirm exchanges as charitable contributions.
- **Gifts-in-Kind**
  - Individual Gifts-in-Kind: For individual gifts equal to or more than **\$500** in fair market value, the donor must provide a qualified appraisal of the gift and submit Internal Revenue Service Form 8283 to NSBE for completion and subsequent return to the donor.
    - If the individual donor has questions regarding the value determination of a gift, NSBE will direct them to review IRS Publication 561 (01/2022), Determining the Value of Donated Property. The donor must provide the gift’s fair market value to NSBE in writing.
    - A copy of the completed Form 8283 will be stored at NSBE’s headquarters. NSBE’s chief executive officer and NSBE’s chief financial officer are the sole signatories on IRS Form 8283.
  - Organization/Corporate Gifts-in-Kind: For organization gifts equal to or more than **\$5,000** in fair market value, the contributing organization must provide a qualified appraisal of the gift. It must submit Internal Revenue Service Form 8283 to NSBE for completion and subsequent return to the donor.
    - A copy of the completed form 8283 will be stored at NSBE’s headquarters. NSBE’s chief executive officer and NSBE’s chief financial officer are the sole signatories on IRS Form 8283.
- **Scholarships/Programs:** To wholly fund a scholarship or program, the following must be funded in the same year:
  - The face amount of the scholarship/program
  - Scholarship administrative costs to NSBE
- **Pledges:** Donors wishing to establish funds or make their gifts in installments over time will be asked to document their commitment in a gift agreement to be reviewed by NSBE’s director of giving.
  - Pledges may be required to sign a written agreement that will create a binding legal obligation on the donor.



- **Contribution Returns**

- Credit card fraud. If a stolen credit card was used to make the contribution, and the legal owner of the credit card did not authorize the contribution, NSBE will refund the donation, less credit card fees, on recommendation from the credit company.
- Violation of agreement. If NSBE is unable to use the donation in accordance with the agreement made with the donor at the time of the gift, NSBE will inform the donor and recommend that the funds be used for a different project. If no agreement can be reached and the funds have not yet been granted to a project, NSBE's Executive Leadership Team will meet to determine if the gift should be refunded.

- **Acknowledgment/Records**

- NSBE will record a gift received by NSBE at its valuation for gift purposes on the date of gift.
- Acknowledgment: NSBE will provide a donation receipt for tax purposes by email once the donation has been received and processed.
- Annual Charitable Donation Summaries will be sent via mail at the beginning of each tax year.
  - Donations must be received by Dec. 31 at 11:59 p.m. EST to be included in the donor's summary for that tax year. Donations received after Dec. 31 at 11:59 p.m. EST will be included in the following tax year's notice.

- **Changes to Gift Acceptance Policies**

- These policies and guidelines have been reviewed and accepted by the National Society of Black Engineers Leadership Team on 2/2/2023 The National Society of Black Engineers Leadership Team must approve any changes to, or deviations from, these policies.