

PRAIRIE AIR, INC.

GIFT ACCEPTANCE POLICIES AND PROCEDURES

Prairie Air, Inc. solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. Prairie Air, Inc. urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to Prairie Air, Inc. for the benefit of any of its operations, programs or services.

Use of Legal Counsel—Prairie Air, Inc. will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- A. Gifts of securities that are subject to restrictions or buy-sell agreements.
- B. Documents naming Prairie Air, Inc. as trustee or requiring Prairie Air, Inc. to act in any fiduciary capacity.
- C. Gifts requiring Prairie Air, Inc. to assume financial or other obligations.
- D. Transactions with potential conflicts of interest.
- E. Gifts of property which may be subject to environmental or other regulatory restrictions.
- F. Gifts which have any appearance of a conflict of interest between the donor and the organization

Restrictions on Gifts—Prairie Air, Inc. will not accept gifts that (a) would result in Prairie Air, Inc. violating its corporate charter, (b) would result in Prairie Air, Inc. losing its status as an IRS § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for Prairie Air, Inc., or (e) are for purposes outside Prairie Air, Inc.'s mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Finance Committee of Prairie Air, Inc.'s Board of Directors, in consultation with the highest ranking employee of Prairie Air, Inc.

Gifts Generally Accepted Without Review—

- **Cash.** Cash gifts are acceptable in any form, including by check, money order, credit/debit card, or on-line. Donors wishing to make a gift by credit/debit card must provide the information required by Prairie Air, Inc.'s credit/debit card processor to complete the transaction
- **Marketable Securities.** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be evaluated by the Finance Committee upon receipt, and will be evaluated as to whether or not they are to be sold in whole or in part. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed

gift; in such instances the decision whether to accept the restricted securities shall be made by the Executive Committee.

- Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans. Donors are encouraged to make bequests to Prairie Air, Inc. under their wills, and to name Prairie Air, Inc. as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- Tangible Personal Property. The Finance Committee shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear? With approval of the Board of Prairie Air, Inc., the finance committee is authorized to enter into arrangements with outside companies to accept donations of tangible personal property.
- Life Insurance. Prairie Air, Inc. will accept gifts of life insurance where Prairie Air, Inc. is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

Gifts Requiring Board Review

- Real Estate. All gifts of real estate are subject to review by the full Board of Prairie Air, Inc. prior to acceptance of any gift of real estate. Prairie Air, Inc. shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include: Is the property useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation? Any costs for environmental studies, enhanced title searches, or other unusual costs associated with a real estate donation must be borne by the donor.