

THE COMMUNITY FOUNDATION
of Shelby County

Gift Acceptance Policy

I. Purpose

The mission of The Community Foundation of Shelby County (“Foundation”) is to cultivate, administer, and distribute legacy gifts for the benefit of our community.

The Foundation has established a development program to further its charitable purposes and mission. Specifically, the development program seeks to help donors meet their charitable goals while benefiting the communities and organizations served by the Foundation. This requires an active effort on the part of the Foundation’s Board of Trustees and staff to promote the programs and opportunities offered by the Foundation and to respond promptly and appropriately to the needs and circumstances of donors and prospective donors to the Foundation.

II. Implementation

A. Policies and Guidelines. It is the role of the Board to consider and adopt general gift acceptance and development policies for the Foundation. Such policies may include both this statement of policy, as well as other policies and guidelines applicable to specific types of gifts and development efforts that may be adopted by the Board from time to time.

B. Foundation’s Legal Counsel. The Foundation shall seek the advice of legal counsel when appropriate in matters pertaining to its development program. All agreements, contracts, and other legal documents relating to the development program shall be reviewed by legal counsel prior to execution or use, with the exception of standard form documents, which may be developed to enhance administrative ease and convenience. The Foundation will provide standard forms to a prospective donor and the donor’s advisers upon request and encourage their use whenever practicable.

C. Donor’s Counsel. The Foundation’s staff will encourage prospective donors to have the terms of all proposed agreements reviewed by the donor’s own legal or financial advisers. The donor should also be advised that it is the donor’s responsibility to obtain any necessary appraisals, file appropriate tax returns, and defend against any challenges to claims for tax benefits.

D. Material Restrictions. The Foundation reserves the right to refuse any gift that it believes is not in the best interests of the Foundation. **In conformity with Treasury Department regulations governing community foundations, gifts to the Foundation may not be directly or indirectly subjected by a donor to any material restriction or condition that prevents the Foundation from**

freely and effectively employing the transferred assets, or the income derived there from, in furtherance of its exempt purposes.

III. Gifts to the Foundation

Gifts to the Foundation may take a variety of forms. Many are outright gifts by living donors either on a one-time or a periodic basis. Others are bequests and testamentary gifts that take effect upon the donor's death. Some are other forms of deferred or split-interest gifts.

A. Donor Gifts. The Foundation may accept the following types of outright contributions to establish a fund or add to an existing fund:

1. Cash. The Foundation will accept an outright gift of cash of any amount, although gifts to establish a separate fund at the Foundation must meet the minimum funding requirements set by the Board (currently \$25,000). A donor may establish a fund in a single transaction, or agree to build to \$25,000 over a three-to-five year period. There is no minimum to establish a Charitable Distribution Account.

2. Publicly-Traded Securities. The Foundation will accept gifts of publicly-traded stocks and bonds at fair market values as determined under Internal Revenue Service rules. As a general rule, gifts of publicly-traded securities will be sold as soon as possible, but within no greater than 5 business days of receipt. Proceeds from the sale, less any brokerage commissions or other expenses, will be credited to the charitable fund intended by the donor.

3. Privately-held Securities. Privately-held securities will be accepted on a case by case basis after review and approval by the Executive Committee. It shall be the intent of the Foundation to accept and sell gifts of privately-held securities within no greater than 10 business days of their receipt. In certain circumstances, a gift may be held for a longer period of time, subject to the approval of the Executive committee.

Limitation on accepting gifts of assets to donor advised funds. To comply with the Pension Protection Act of 2006 Excess Business Holdings Rule, gifts of interest in a business enterprise intended to support a donor advised fund will be divested within a period of five years. It is the intent of the Foundation to sell such gifts as soon as possible and invest the proceeds in accordance with the Foundation's Statement of Investment Policy.

4. Tangible Personal Property. Tangible personal property may be accepted as a gift. The property must be saleable and the donor must agree that the property can be sold unless the Foundation agrees to use the property for a purpose related to its exempt purposes. The donor will be

responsible for obtaining a qualified appraisal complying with IRS regulations for property.

5. Life Insurance Policies. The Foundation may accept gifts of life insurance policies. Prior to accepting a policy requiring ongoing premium payments, the Foundation and the donor must agree in writing on arrangements for the payment of such premiums.

6. Real Property. Proposed gifts of real estate must be reviewed and approved by the Executive Committee and must satisfy the requirements of the Foundation's Policy and Guidelines Relating to Gifts of Real Estate.

B. Gift Acknowledgments. Gifts accepted by the Foundation shall be acknowledged to the donor within a period of ten days of receipt, unless a donor has requested a different time period (ie: an end-of-year acknowledgment when several gifts are to be given). Acknowledgments shall include gift information in accordance with federal regulations.

IV. Planned Giving Arrangements.

A. Forms of Planned Gifts. The Foundation's planned giving program encompasses gifts whose benefits do not fully accrue to the Foundation until some future time (such as the death of the donor or other income beneficiaries or the expiration of a predetermined period of time), or whose benefits to the Foundation are then followed by the interests of noncharitable beneficiaries. Planned giving opportunities offered by the Foundation include:

1. Gifts by Will or Trust. The Foundation may be designated as the beneficiary of a bequest or gift by the terms of the donor's will or by a revocable or irrevocable trust. Sample bequest language for restricted and unrestricted gifts will be made available to donors and their attorneys to insure that the bequest is properly designated.

2. Other types of gifts may be considered on a case by case basis.

The Board of Trustees may amend or supplement these Policies and Guidelines at any time.