



Cumberland Community Foundation, Inc.

308 Green Street • P.O. Box 2345 • Fayetteville, NC 28302

www.cumberlandcf.org

Phone (910)483-4449 • Fax (910)483-2905

Fund Guidelines and Gift Acceptance Policies Cumberland Community Foundation, Inc.

Adopted on 10/14/2004

Introduction

The mission of Cumberland Community Foundation is to foster creative change, to encourage and test new ideas, and to work for the common good of all citizens of the greater Cumberland County area. One way that we accomplish this is by carefully managing a wide variety of flexible vehicles for prospective donors with varied charitable interests and abilities to give. Grants from charitable funds are targeted toward the community's most pressing needs and promising opportunities.

These guidelines are set forth to:

- 1) protect the interests of donors who make gifts to Cumberland Community Foundation;
- 2) protect the interests of Cumberland Community Foundation;
- 3) outline the types of fund and deferred giving vehicles available to donors;
- 4) provide procedures for receipt of various forms of gift property.

These guidelines are intended to provide a general outline and statement of policy for the Foundation's board, staff and donors. In all cases, the fund agreement (an agreement executed between a donor and the Foundation) or gift document (a will or other instrument in lieu of an agreement) should be referred to as a specific reference for individual gifts.

In the donor's interest

• Relationship with Foundation Staff and Board

Cumberland Community Foundation staff and board will always consider the interests of donors as the first priority in receiving gifts. A donor shall not be encouraged to make a gift that is inappropriate, in light of the donor's known financial or personal situation, or the donor's known philanthropic interests.

As far as is possible, the Foundation's staff will disclose to a prospective donor the benefits and liabilities that could reasonably be expected to influence the donor's decision to make a gift to the Foundation. In particular, the donor should be advised that all gifts other than testamentary gifts are irrevocable, and items subject to variability (such as market value, investment return, and amount of income payments) will be discussed fully.

The Foundation will provide donors and prospective donors with information about the Foundation, its activities and the charitable needs served by its grantmaking program.

• *Confidentiality and Donor Recognition*

Information learned by any representative of the Foundation about a donor, donor's assets, or donor's philanthropic intentions shall be held in strict confidence by the staff and Board. Donors will be encouraged to notify the Foundation of their planned gifts and all such information shall be kept confidential unless permission is obtained from the donor. Donors will always have the prerogative to choose the degree of recognition and publicity their gifts receive, and may give anonymously if they so desire.

The Foundation recognizes that donors and their gifts to the Foundation are foremost in achievement of our charitable purposes. The staff will recognize and acknowledge donors in appropriate ways, both publicly and privately, subject to the confidentiality provisions outlined above.

• *Professional Counsel*

The Foundation's staff will encourage prospective donors to have the terms of all proposed agreements reviewed by their own legal and financial advisors. 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. All agreements, contracts and other legal documents relating to the development program shall be reviewed by the Foundation's legal counsel prior to execution or use, with the exception of standard form documents.

For the Foundation

• *Authority to Negotiate*

The Executive Director will have the overall authority to handle inquiries, negotiate with donors, assemble documentation, retain expert and technical consultants, and execute agreements on behalf of the Foundation. Acceptance by staff of gifts consistent with the purposes, by-laws and procedures of the Foundation will not require review by the Executive Committee if the gifts are received in the form of cash, checks or marketable securities.

The Executive Committee of the Foundation's Board of Directors has the responsibility to consider and determine procedures concerning acceptance of all gifts given to the Foundation in order to insure that gifts received are consistent with the mission, and in the interests of the Foundation. Any proposed gift transaction may be referred to the Board or its Executive Committee for review and advice.

• *Standard Form Documents*

For administrative ease and convenience, the Foundation will develop standard forms of fund agreements and other documents related to the Foundation's development program as deemed appropriate. All such standard forms shall be reviewed by legal counsel. The Foundation will provide standard forms to a prospective donor and the donor's advisors upon request and encourage their use whenever possible.

• *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 regarding community

foundations, gifts to the Foundation may not be directly or indirectly subject to any material restriction that prevents the Foundation from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its exempt purposes.

• *Variance Power*

All funds shall be accepted subject to the variance power in the Articles of Incorporation and By-Laws of Cumberland Community Foundation. This allows the Board of Directors of the Foundation to modify any condition or restriction on the distribution of funds if, in its sole judgment (without the approval of any trustee, custodian or agent), such restriction or condition becomes in effect unnecessary, incapable of fulfillment, or inconsistent with the charitable needs served by the Foundation.

• *Geographic Emphasis*

Cumberland Community Foundation exists to serve donors and charitable organizations in the greater Cumberland County area and surrounding counties (Bladen, New Hanover, Brunswick, Columbus, Robeson, Scotland, Richmond, Montgomery, Moore, Hoke, Harnett and Sampson). Generally, it is expected that donors will reside in and direct some portion of their giving to the area served. Donors from geographic areas served by (an)other community foundation(s) will be made aware of the alternative(s).

Types of Funds

Cumberland Community Foundation allows donors various funds to give through.

Unrestricted Fund: Recognizes that the community's most pressing needs can and will change over time. Grants are distributed from unrestricted funds through the Foundation's competitive grant process, ensuring that emerging community needs are addressed by the nonprofit and charitable organizations best equipped to do so.

Field of Interest Fund: Allows the donor to focus support on specific areas of need or on a particular geographic region. May be broadly or narrowly focused. Grants are distributed from field of interest funds with final approval of the Board.

Organizational Endowment/Designated Funds: Supports a specific organization on a regular basis in the donor's name. If the organization ceases operation or substantially alters its mission, the Foundation will seek out another organization whose mission most closely matches the donor's original intent.

Donor Advised Funds: Donor advisors recommend the distribution of income and/or principal from their fund. By law, the Foundation retains ultimate authority for fund distributions. Advisory privileges may be extended to family members through the fund agreement: the original donor may name a succeeding generation of his/her family to serve as advisors. Funds established upon the donor's death may name the donor's children and grandchildren as successor advisors.

Scholarship and Award Funds: The Foundation will administer scholarship and award funds to ensure high standards of integrity and impartiality. The donor may specify the schools that recipients are chosen from or will attend, and/or other scholarship criteria within legal limits.

Affiliate Funds: These funds will be advised by a board representing the community served by the fund; their assets are held by the Foundation for investment and management. Grant distributions are recommended by the local board for their defined geographic area. Gifts of any size may be made to affiliate funds, and the full range of planned giving options is available for gifts to affiliate funds.

Types of Gifts

Cumberland Community Foundation receives gifts in the following forms:

- *Cash* and properly endorsed checks
- *Marketable (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. Generally, gifts of publicly-traded securities will be sold as soon as possible and the donor's fund will be credited with proceeds from the sale, after commissions and expenses.
- *Real property*

Please see "Procedures for Accepting Gifts of Real Estate" on page 11 of this document.
- *Closely held stock and partnership interests*

Gifts of stock in closely held "C" corporations, "S" corporations, partnership interests and limited liability companies will be evaluated on a case by case basis and will be subject to approval by the Executive Committee.
- *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 must obtain a qualified appraisal for the property and comply with applicable IRS regulations related to the gift.
- *Life insurance policies*

The Foundation accepts gifts of life insurance policies. Prior to accepting a policy requiring ongoing premium payments, the Foundation shall obtain a written agreement with the donor regarding premium payments. Except in the case of testamentary gifts, the Foundation should be named owner and beneficiary of the policy.

Gift Amount Minimums

- *Component Funds*

Minimums to establish a component fund shall be established by the Executive Director to meet the needs of the community and the Foundation (See Schedule A attached).
- *Charitable Gift Annuity*

Minimum gift is \$(*to be determined*). Annuitants must be (*to be determined*) years old (actuarial age) when payments begin.
- *Charitable Remainder Trust*

Minimum initial gift is \$100,000. Subsequent gifts of any size may be made to unitrusts only.

- *Grantmaking funds of the Community Foundation*

Gifts of any size may be made to Foundation Sponsored Funds: Endowment for Arts, Environmental Protection and Education Fund, General Purpose Endowment, General Scholarship Endowment and Summertime Kids Endowment.

Planned Giving Vehicles

The Foundation's planned giving program encompasses gifts whose benefits do not fully accrue to the Foundation until some time in the future, or the Foundation's benefits are followed by the interests of non-charitable beneficiaries. Foundation staff members are available to provide information on planned giving techniques and vehicles, and will work in partnership with the donor's professional advisors during the gift transaction.

Gifts to the Foundation may be made using the following planned giving vehicles:

- *Bequest*

Testamentary gifts may be made in any amount to the Foundation, and directed to any of the funds open for public contribution. A separate Fund may be established (see minimums on Schedule A), or gifts made by bequest may be added to a previously established fund. Donors who make known to the Foundation the establishment of a deferred gift will be recognized as members of the Legacy Society unless anonymity is requested.

- *Charitable Gift Annuity*

The charitable gift annuity is based on a contract between the donor and the Community Foundation. The gift annuity is part gift and part annuity investment. Guaranteed, fixed income is paid to the donor and/or another named beneficiary (up to two lives). The Community Foundation adheres to the American Council on Gift Annuities rate tables (*to be determined*). Upon termination of the income beneficiary's interest, the remainder of the gift annuity may be added to an existing fund or used to establish a permanent endowment fund.

- *Charitable Remainder Unitrust*

Under a charitable remainder unitrust, the donor irrevocably transfers money, securities or other property to the unitrust. The donor (or one or more income beneficiaries) annually receives a fixed percentage of the net fair market value of the trusts' assets, as determined on January 1st of each year. Additional contributions may be made to the unitrust after inception. The payments are made for the life or lives of one or more income beneficiaries or for a fixed period of years not to exceed twenty years. Upon termination of the income beneficiary's interest, the assets of the unitrust are transferred to the Foundation. The assets may be directed to an existing fund or used to establish a permanent endowment fund.

• *Charitable Remainder Annuity Trust*

A charitable remainder annuity trust is identical to a unitrust, except that the income beneficiary receives a fixed dollar amount annually from the trust based on the value of the trust assets on the date of the creation of the trust. Additional contributions are not allowed.

Trusteeship and Remainder of Charitable Trusts

The Community Foundation will act as Trustee for charitable remainder trusts if the entire remainder establishes a permanent endowed fund OR if at least 50% of the remainder interest benefits one or more of the following Foundation Sponsored Funds: Endowment for Arts, Environmental Protection and Education Fund, General Purpose Endowment, General Scholarship Endowment and Summertime Kids Endowment.

The remainder interest may be designated in the following ways:

- To establish a permanent endowment fund, with income to be distributed annually to one or more charitable organizations.
- To be added to an existing endowment fund.
- Distribution of principal and income to one or more charitable organizations (no more than 50% may be distributed and only if remaining principal is added to an unrestricted grantmaking fund – see above).

Additional arrangements may be negotiated with the Foundation depending on the size of trust with final approval by the Board of Directors.

• *Charitable lead trust*

In a charitable lead trust, the Foundation is given an income interest in the trust assets for a period of years or the lives of one or more individuals, at the end of which time the assets of the trust are distributed to non-charitable beneficiaries designated by the donor. A lead trust is appropriate for lifetime charitable giving and charitable bequests, as well as part of a plan for the transfer of the remainder to younger generation family members. The Foundation will not act as Trustee for a charitable lead trust.

Investment of Gifts

While each fund is accounted for separately, the assets from current and future gifts are joined with other assets of the Foundation for investment in a unitized investment pool. All investments conform to investment policies established by the Foundation. All funds at the Foundation benefit from investment oversight by the Investment Committee of the Board and the professional investment managers who invest the Foundation's assets.

Gifts are Irrevocable

All gifts to the Foundation are irrevocable. Once transferred to the Foundation, these gifts become the property of the Foundation. Individuals and organizations establishing funds cannot later ask to have their money returned. The use of principal and income of a fund are subject to the terms of the fund agreement approved and executed by the donor when the fund is

established. Fund agreements may be amended in writing upon approval by the Foundation's Executive Director and/or the Board.

Fiduciary Corporation

Cumberland Community Foundation is incorporated as a nonprofit corporation. It is exempt from federal income taxation under section 501[c](3) of the Internal Revenue Code and is an organization other than a private foundation described in section 509(a) of the Code, i.e. a "public charity". The Board of Directors of Cumberland Community Foundation is the fiduciary for funds held by the Corporation.

Our legal name is:

Cumberland Community Foundation, Inc.

Tax id #: 58-1406831

Fund Assets

All assets accepted as gifts may be retained in their original form by the Foundation as long as the decision to do so serves the interests of the Foundation. However, assets received generally are sold immediately and the net proceeds are invested in one of the Foundation's investment portfolios. In purchasing new investments for its portfolios, the Foundation will be guided by its investment policies.

Investment of Fund Assets and Investment Managers

Donors who establish component funds of the Foundation give up all right, title, and interest to the assets transferred and such gifts may contain no material restrictions that would prevent the fund from being considered as a component fund of the Foundation under Internal Revenue Service rules. In particular, donors give up the right to choose specific investments or to veto investment choices for their gifts. Alternate investment options are available to newly created donor advised endowment funds or supporting organizations starting with \$1 million or greater.

At the discretion of the Executive Director, assets donated to endowed funds may be invested in pre-approved mutual fund portfolios with the donor's investment manager.

The Foundation will consider other requests from donors for investment of fund assets by managers other than those employed by the Foundation if circumstances such as size of the fund or type of asset might warrant it. Generally, new managers will only be considered for gifts of \$1 million or more. Their acceptance is subject to compliance with the Foundation's Investment Policy and Criteria for Investment Managers.

Reports

The Foundation will provide donors with periodic written reports acknowledging and accounting for the donor's gifts as may be appropriate or required, including market value and all information necessary for preparing federal and state income tax returns.

Services and Administrative Fees

In order to fulfill its mission of increasing philanthropy, Cumberland Community Foundation strives to provide prospective and current donors, their financial advisors and charitable organizations in our service area with excellent and timely service. To that end, we provide a

range of services to donors, including:

- charitable financial planning
- research and design of special purpose grant programs
- grant distribution acknowledging donor and/or anonymously
- grantee research and accountability
- scholarship administration including design of program, application distribution and review, recipient selection, and award payment
- continuing education opportunities about community needs and issues, regional and national issues in philanthropy
- annual fund statements itemizing contributions and grants
- annual fund statements to donor advised pass-through funds and updates when the fund has activity
- annual summary of contributions totaling >\$250
- tax reporting and documentation
- annual audit of all funds

To support the administrative and operating costs of the Foundation, the following schedule of administrative fees and charges will be applied to all funds:

Endowment Funds -

There are two types of fees:

1. *Investment Management Fee* -- Cumberland Community Foundation passes on the investment management fees charged by the Trust Departments of the Money Managers (currently around one half of one percent of the fund balance annually). Investment management and tax reporting costs are charged directly to fund.
2. *Administrative Fee* -- Cumberland Community Foundation charges an annual administrative fee to partially offset the Foundation's expenses of administering the fund, including oversight of distributions from the fund, management of the transfer of gifts of appreciated assets to the fund, letters to donors to the fund acknowledging gifts for tax purposes, and inclusion of the fund in the Foundation's annual independent audit. Fees are charged quarterly.

The annual *Administrative Fee* schedule is:

On balances up to \$500,000	1.0% (one percent)
On balances over \$500,000 - \$1,000,000	0.75% (three fourths of one percent)
On balances over \$1,000,000	0.25% (one fourth of one percent)

Minimum fee \$100.00

Fees are subject to change:

The fee structure may change, over the years. However, the fee structure will remain in line with what other community foundations charge for similar accounts. Always, Cumberland Community Foundation will be a very low cost provider of endowment administrative services.

Other:

- Scholarship Funds are charged 1% on all balances, regardless of the fund balance (02/12/04).

Pass-through Funds

Donor Advised Annual Giving Funds:

The Foundation does not charge any fees for the management of these funds. However, the interest earned on these funds accrues to the Foundation. Minimum gift to establish is \$5,000 (02/12/04).

Special Project Funds:

See Special Project Fund Administrative Fee Schedule attached. Fees may be negotiated with the nonprofit organization requesting this service on a case by case basis.

Special Project Fund Administrative Fee Schedule

The Foundation shall administer Special Project Funds by approval of the Board of Directors or its President only.

Basic Special Project Fund Administration includes:

- Gift processing -- Acknowledgment in writing of gifts per IRS requirements, tracking all additions to the Fund for historical purposes, and banking transactions. (Note: The Foundation requires verification of amounts by both parties at the time any cash is delivered to the Foundation and the Foundation cannot receive coin in excess of \$1.00.);
- One statement per quarter on the Fund's status summarizing beginning balance, all additional gifts, any disbursements or fees, and ending balance;
- Grants for the Charitable Purpose up to once per quarter, paperwork due at the Foundation office by the 1st of January, April, July, October.

Administrative Fees shall be calculated and collected by the Foundation from the Fund quarterly, as follows:

\$100.00	To set up the Fund Agreement (one time fee)
\$ 50.00	To modify the Fund Agreement

No charge received	For the first 25 gifts (checks and/or marketable securities) to the Fund
\$ 2.00	Per gifts received in excess of 25 each year
\$ 10.00	Per gift of marketable securities
\$ 10.00	For each time cash is received by the Foundation

No charge	For quarterly check disbursements for the Charitable Purpose
\$ 25.00	Per "special handling" disbursement request

No charge	For quarterly reporting
\$ 25.00	Per "special handling" report request

Any unusual bank charges—including but not limited to Stop Payment, Returned Checks, Certified Check, Wires—shall be added to the Administrative Fee.

Any additional services requested—including but not limited to processing gifts of real estate, illiquid marketable securities, or closely held stock or acting as fiscal agent for grants received or contracts on behalf of the organization—shall require payment of an additional Administrative Fee to be determined by the Foundation depending on the circumstances.

Direct Project Sponsorship fees are negotiated at the time of signing the fund agreement.

PROCEDURES FOR ACCEPTING GIFTS OF REAL ESTATE

All donations composed in whole or in part of real estate for Cumberland Community Foundation, shall be accepted, received, and owned by CCF Real Estate Foundation and must be approved by its Board of Directors. The first step in the process is to work closely with the donor to gather as much information as possible about the property. Certainly the following list is comprehensive and does not apply to all gifts, but it does give an indication of the kinds of information that is helpful:

- location of property (state, town, etc.)
- its approximate value (donor's appraisal); qualified appraisal required
- copy of deed
- copy of plat/map
- copy of last tax bill
- photograph or description of property and building(s)
- copy of documentation for mortgages, liens, etc., or donor's verbal explanation of liens
- any on-going costs: assessments, utilities, insurance, association fees, maintenance fees, etc.
- copy of restrictive covenants, if any
- any restrictions on use/sale of property by donor, city, county, development, easements, special use permits or historic district requirements
- any other restrictions or conditions on the property which would create problems for the Foundation
- present zoning permitted uses in that zoning district
- city/county plans for that area of town
- identifiable market conditions for sale
- environmental considerations

CCF Real Estate Foundation will undertake an appropriate inquiry into the previous ownership and uses of the property which will include:

- (a) obtaining from the donor as much information as possible to determine whether the potential exist for environmental contamination;
- (b) conducting an independent investigation of the property, its history and the potential for contamination from adjacent property;
- (c) obtaining a Phase I Environment Audit (donor's responsibility to pay for audit) by a competent professional if the property has been used for commercial, industrial, manufacturing or agriculture purposes, or if its history is unknown or if there is any reason to suspect environmental contamination; and
- (d) including in the donation agreement and deed, as appropriate, representation and warranties from the donor that to the best of the donor's knowledge the property is free of contamination.

- Economic Considerations - the value of the donated real estate and its economic benefits and burdens to the Foundation shall be considered before acceptance of any gift. The factors to be considered include, but are not limited to: salability, cost of taxes, maintenance, insurance, special assessments and environmental concerns of the property.

A donor may be required to open a Donor Advised Fund through which all taxes and other costs of maintaining the property until it is sold, are reimbursed to the Foundation. If the property is given outright to the Foundation for its unrestricted use, this requirement may be waived.

The Board of Directors of CCF Real Estate Foundation reviews all information and makes a final decision whether to accept or not accept the property.

Appraisal Requirements

Qualified Appraisal--When the value of the property is more than \$5,000, IRS requires that the property be appraised. Acceptance of property valued under \$5,000 is at the discretion of the Executive Director. The appraiser's findings are reported to IRS on Form 8283. The appraisal cannot be made more than 60 days before the gift. The appraisal must also be done before the due date (including extensions) of the income tax return on which the donor claims his or her deduction and it is the donor's responsibility to pay the appraisal fee.

The appraisal must be done by a "Qualified Appraiser." To be a "qualified appraiser" an individual must: (1) hold himself or herself out to the public as an appraiser, and (2) state credentials showing that he or she is qualified to appraise the type of property being valued.

According to the IRS, the following persons can never be qualified appraisers: (1) the donor; (2) a party to the transaction in which the donor acquired the property being appraised, unless the property is donated within two months of acquisition and its appraised value is no higher than its acquisition price; (3) the charity-donee; (4) anyone employed by any of the foregoing, or related to any of the foregoing; and (5) anyone who is regularly used by any of the individuals just listed who does not perform most of his or her appraisals during the year for other persons.

The Board may amend or supplement these guidelines at any time.

Adopted this 14th day of October, 2004.



Leslie A. Griffin, Board President

Cumberland Community Foundation – Operating Schedule and Fee Structure
(Subject to change)

Fund Type	Statement Schedule	Payout Available	Administrative Fee	Minimum to Establish
Organizational Endowment	Annually by March 1 st for 12/31 balances and upon request for auditor	July 1 st Notification by May 31 st Calculated on trailing 12 qtr balance as of 12/31	1% on first \$500,000 ¾% on next \$500,000 ¼% on balances over \$1,000,000	\$25,000 within 5 years
Designated Funds	Annually by March 1 st for 12/31 balances	July 1 st Notification by May 31 st Calculated on trailing 12 qtr balance as of 12/31	1% on first \$500,000 ¾% on next \$500,000 ¼% on balances over \$1,000,000	\$10,000 within 5 years (no evaluation by CCF) \$25,000 within 5 years (if evaluation required)
Field of Interest Funds	Annually by March 1 st for 12/31 balances	July 1 st Notification by May 31 st Calculated on trailing 12 qtr balance as of 12/31	1% on first \$500,000 ¾% on next \$500,000 ¼% on balances over \$1,000,000	\$5,000 within 5 years (effective Fall 2005 “Community Funds” campaign)
Scholarships	Annually by March 1 st for 12/31 balances	July 1 st Notification by May 31 st Calculated on trailing 12 qtr balance as of 12/31	1% on all balances	\$25,000 within 5 years
Donor Advised Endowment Funds	Annually by March 1 st for 12/31 balances and upon request	July 1 st Notification by May 31 st Calculated on trailing 12 qtr balance as of 12/31	1% on first \$500,000 ¾% on next \$500,000 ¼% on balances over \$1,000,000	\$25,000 within 5 years
Unrestricted Funds	Annually by March 1 st for 12/31 balances	July 1 st Notification – N/A Calculated on trailing 12 qtr balance as of 12/31	1% on first \$500,000 ¾% on next \$500,000 ¼% on balances over \$1,000,000	Vision Fund -- \$5,000 within 5 years Corporate or Family Fund -- \$10,000 within 5 years
Donor Advised Pass Through Funds	Annually by March 1 st for 12/31 balances and after each grant with balance update	Monthly on 15 th and 30 th	None. CCF keeps interest.	Initial gift \$5,000 -- May spend down to \$100.00
Special Project Funds	Quarterly or as negotiated	Monthly on 15 th and 30 th	See itemized fee schedule.	Initial gift \$1.00

CC Cumberland Community
F Foundation, Inc.

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Addendum
Fund Guidelines and Gift Acceptance Policies
Dated 10/14/2004
Last Amended May 19, 2011

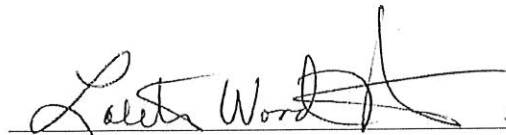
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- Gifts for Donor Advised Funds: Notwithstanding any other provision hereof, the Foundation shall not accept any gift of an interest in a business enterprise for a donor advised fund that would subject the Foundation to tax under section 4943 of the Internal Revenue Code, concerning “excess business holdings.” Any proposed gift that would result in donor advised funds holdings:
 - a 20% or greater interest in a business of in an entity or
 - any interest in an entity in which any interest is owned by a donor or advisor to the donor advised fund, by a family member or any such person, or by an entity in which any of the foregoing persons has an interest,

shall be referred to the Foundation’s counsel for an opinion on the possible application of Code section 4943.

Ownership of unincorporated businesses that are not substantially related to the fund’s purposes is also prohibited.

- Illiquid Assets: Prior to acceptance, all gifts shall be evaluated to determine marketability. Illiquid assets may be accepted only after determination of charitable benefit to the Foundation and acceptance of a management plan by the Board of Directors or the Executive Director *and* President.

 5/19/11

Loleta Wood Foster
Board President

Date