



Gift Acceptance Policy

Purpose

The purpose of these fund and gift acceptance guidelines (“Policy”) is to advance The Foundation for Delaware County’s (the Foundation) mission of connecting donor interests to community needs and opportunities utilizing community knowledge and leadership. By providing guidelines for negotiating and accepting various types of gifts for different types of funds, this Policy is designed to serve the best interests of the Foundation, donors who support the Foundation’s programs through charitable gifts, and a healthy and caring community. These policies are established to assure that each gift to the Foundation is structured to provide maximum benefits to the community, the donor, the Foundation and the beneficiaries of the Foundation’s charitable programs and activities.

Scope

This Policy addresses both current and deferred gifts, with an emphasis on specific types of deferred gifts and gifts of non-cash property. The goal is to encourage financial support for the Foundation with gifts that are in keeping with the Foundation’s charitable purposes and applicable laws governing charitable gifts. This Policy also describes the types of funds that the Foundation maintains.

Notwithstanding anything in this policy to the contrary, the Foundation reserves the right to waive any requirements herein with respect to acceptance of specific gifts.

Ethical Standards in Dealing with Donors

The Foundation is committed to the highest ethical standards of philanthropy and development. In all transactions between potential donors and the Foundation, the Foundation will aspire to provide accurate information and full disclosure of the benefits and liabilities that could influence a donor’s decision, including with respect to the Foundation’s fees, the irrevocability of a gift, prohibitions on donor restrictions, items that are subject to variability (such as market value, investment return, and income yield), the Foundation’s responsibility to provide periodic

financial statements with regard to donor funds, and investment policies and other information needed by donors to make an informed choice about using the Foundation as a vehicle for charitable gifts. **In addition, all donors are strongly encouraged to discuss their gifts with their own legal, financial, investment and tax advisors in matters relating to their gifts, including the resulting tax and estate planning consequences, before signing any gift agreement.** The role of the Foundation's staff is to inform, guide, and assist the donor in fulfilling his or her philanthropic goals, without pressure or undue influence.

Acknowledgement

The Foundation recognizes the paramount role of donors and their gifts to the Foundation in executing its charitable mission. All gifts made to the Foundation will be acknowledged in compliance with current IRS requirements. In carrying out the Foundation's development program, staff will recognize and acknowledge donors in appropriate ways, both publicly and privately, subject to the Foundation's Policy on Confidentiality. Donors reserve the freedom to determine the degree and type of recognition that they prefer and the Foundation respects the confidentiality of donors who do not wish to be publicly recognized.

Funds

The Foundation accepts donations to the annual fund in any amount. In addition, it offers unrestricted funds as well as several different types of restricted funds. These include:

Unrestricted Funds. Gifts to these funds help the Foundation help our community. The Foundation alone determines the recipients of distributions to support effective work of charitable organizations throughout the area we serve. The unrestricted fund is best suited for the donor who wants his or her gift to have the broadest impact on the community over time or who recognizes that community needs change over time and wants their gift to remain flexible in response to those changes.

Field of Interest Funds. These funds support a charitable purpose designated by the fund's donor or donors. Distributions are determined by the Foundation consistent with the fund's purposes. Where appropriate, the Foundation may create an advisory committee to make recommendations for distributions. The field of interest fund is most appropriate for the donor who has an abiding interest in a particular charitable cause rather than specific organizations, the donor who recognizes that charitable organizations change in mission or the donor who wishes to fund emerging projects with a target audience.

Designated Funds. These funds support a charitable organization designated by the fund's donor or donors. Distributions generally are determined by applying the Foundation's spending policy to the assets held in the fund. The designated charity benefits from the Foundation's pooled investment management capabilities, and the donor has the assurance that, if the organization ceases to exist, The Foundation for Delaware County board (the Board) will

preserve his or her intent by redirecting the fund toward an agency with a similar mission. Designated funds are most appropriate for donors who wish to support a particular charity but want third party oversight or assurance that the gift is used as specified or the donor who wants to make an endowment gift to a charity that does not have an endowment fund or extensive investment management capability.

Agency Endowments. These funds are created by charitable organizations that designate themselves as the fund's beneficiary. The agency endowment fund gives the charitable organization the opportunity to safeguard original investments while creating a permanent stream of revenue for the organization. Distributions generally are determined by applying the Foundation's spending policy to the assets held in the fund.

Scholarship Funds. These funds provide financial assistance to students at schools, colleges, and universities. Scholarship funds can also support vocational training and assistance in paying for special courses. Donors recommend eligibility criteria, may make recommendations to the selection committee and may serve on the selection committee provided they do not represent a majority vote of the committee.

Donor Advised Funds. These funds provide financial assistance to charitable organizations recommended by the donor. Donors retain an advisory capacity in making grants from the fund. A grant from a donor advised fund may not be used to satisfy an irrevocable personal or corporate pledge or obligation of the donor, or to provide a benefit to the donor such as paying membership dues, individual scholarships, or gifts to individuals in any way related to the donor. The donor advised fund is able to use both income and principal if the donor wishes. Notwithstanding the above, the Foundation shall not accept any gift of an interest in a business enterprise that would subject the Foundation to tax under section 4943 of the Internal Revenue Code of 1986, as same may be amended ("Code") concerning "excess business holding". Ownership of unincorporated businesses that are not substantially related to the fund's purposes is also prohibited.

Excess business holdings: The Pension Protection Act of 2006 amended section 4943 of the Code to limit ownership of closely-held business interests in a donor advised fund. A fund's holdings, together with the holdings of disqualified persons (donor, advisor, members of their families and businesses they control) may not exceed any of the following:

- 20% of the voting stock of an incorporated business;
- 20% of the profits interest of a partnership, joint venture, or the beneficial interest in a trust or similar entity;
- Any interest in a sole proprietorship.

These limitations do not apply if the donor advised fund holds an interest that does not exceed two percent of the voting stock and two percent of the value of the business.

Donor advised funds receiving gifts of interests in a business enterprise have five years from the receipt of the interest to divest holdings that are above the permitted amount, with the

possibility of an additional five years if approved by the Secretary of the Treasury. To prevent a violation of these rules, it is the Foundation's policy to divest itself of such holdings within five years from the date the Foundation acquired the asset. If that is not possible, the asset will be transferred to a new or existing fund that is not an advised fund.

Giving Circles. Giving Circles are groups of individuals who donate their own money or time to a pooled fund, decide together where to distribute assets in favor of a charity or community project and, in doing so, seek to increase their awareness of and engagement in the issues covered by the charity.

Disaster Relief and Emergency Hardship Funds. Contributions to these funds help people in time of need and help our community recover when disasters strike. The Foundation makes distributions from these funds to support effective organizations that provide assistance to individuals and community organizations having such needs.

Fundraising by donors

Because the Foundation is legally responsible for all fundraising undertaken on its behalf, fundraising undertaken by donors in connection with funds of the Foundation must be approved in advance by the Foundation pursuant to the Foundation's policy on fundraising by donors.

Purpose of gifts

The purpose of each gift to the Foundation must fall within the Foundation's broad charitable purposes. The purpose of a restricted gift must be stated in writing and signed by the donor. Unless approved by the Board, the Foundation cannot accept any gift that will be directly or indirectly subject to any material restriction or condition by the donor that prevents the Foundation from freely and effectively employing the gift assets or the income from such assets to further its charitable purposes. In addition, the Foundation reserves the right to reject any gift that might place the other assets of the Foundation at risk or that is not readily convertible into assets that fall within the Foundation's investment guidelines. The Foundation may also decline a gift if it is not able to administer the terms of the gift in accordance with the donor's wishes.

Minimum gifts

Subject to the policies set forth in this document, the Foundation may accept gifts of any size to existing funds. A new fund may be established with a lower minimum if the donor arranges regular payments to bring the fund to the minimum level within an agreed upon time frame. No grants may be made from any fund until the minimum is reached. If the minimum is not reached by the agreed upon time frame the Foundation has the right to disburse the funds to the designated organization or to the Foundation's unrestricted funds. Exceptions are subject to the approval of the Foundation's President or the Gift Acceptance Committee.

In the case of assets contributed which must be sold, if, as a result of such sale, the minimum is not met the donor may contribute additional funds to meet the required minimum or the donation will be placed in the unrestricted funds of the Foundation. The donor must agree to these conditions before making the gift as a prerequisite in establishing the fund.

Authority to negotiate and sign gift agreements

Subject to the Gift Acceptance Committee's review and approval authority, the Foundation's President, V.P. for Development and Communications and CFO will have the authority to handle inquiries, negotiate with donors, assemble documentation, retain expert and technical consultants. Any two of the following are authorized to execute agreements on the Foundation's behalf: The Foundation President, CFO, Chair of the Gift Acceptance committee or Foundation Board Chair.

Material Change to Fund Agreements

Should the donor or donor successor wish to make a material change to a fund agreement, the Board authorizes the foundation president to implement the change or determine if board review and approval is appropriate. Examples include changing the purpose of a fund or changing the type of fund, making a change to scholarship restrictions, changing the names of donor advisors – not originally stated in the agreement.

If the donor and donor successor named in the agreement are deceased, or foundation staff have been unable to reach the donor and/or donor successor after three years, despite reasonable attempts to do so, any recommended material change to the fund agreement must be approved by the Board.

Changes to any fees, whether they apply to all funds or to a specific fund type, also require Board approval.

Variance Power

In accordance with federal tax regulations, the Foundation's board retains the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to any specified organization 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, unethical, illegal, immoral, violates public policy, reflects poorly on the Foundation, or inconsistent with the charitable needs of the community or area served. This power to update funds helps protect donors by avoiding the need for complex and costly legal proceedings. This variance power is in addition to the terms outlined in all fund agreements.

Authority to Accept Gifts

Acceptance by Officers & Designated Employees. Any of the Foundation's officers or employees designated by the Board may accept, for and on the Foundation's behalf, any of the following: an outright gift of Cash, Checks, or Marketable Securities.

Acceptance by the Gift Acceptance Committee. All other gifts, including those listed below, will require review and, if appropriate, approval by the Foundation's Gift Acceptance Committee which will be comprised of at least one representative of : the Finance and/or Investment Committee, the Advancement Committee and staff. The following gifts require the Committee's review and approval and are subject to the limitations outlined subsequently:

- Non publicly traded stock
- Partnership interests
- Limited liability company interests
- Real Estate
- Tangible Personal Property
- Life insurance and annuity policies
- Deferred Gifts and Planned Giving
- Cryptocurrency

In addition, Board approval will be required for acceptance of any gifts where any of the reviewing committees feel there is any potential for past, present or future liability arising from the proposed gift. The Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate.

Emergency Gifts. Notwithstanding the Gift Acceptance Committee's authority above, gifts requiring immediate action (such as gifts in late December) may be exempted from full Committee review if, in the President's judgment, in consultation with the Chair or Vice-Chair and one other member of the Gift Acceptance Committee, that gift may be accepted without in any way jeopardizing the Foundation's exempt status.

Timing of Review. Gifts requiring committee review will be handled promptly. The Foundation staff will immediately notify donors if a gift is not accepted.

Investment of gifts

The Foundation reserves the right to make any or all investment decisions regarding gifts in accordance with its Investment Policy, as amended from time to time. In making a gift to the Foundation, the donor gives up all rights, title and interest to the assets contributed. In particular, the donor relinquishes the right to choose investments and investment managers, brokers, or to veto investment choices for the contributed assets. However, when the size of a fund warrants separate investment consideration, and when otherwise permitted by law, the Foundation will endeavor to accommodate requests from donors for separate investment of fund assets, or use of a particular investment manager, broker or agent in accordance with the Foundation's Investment Policy, and may consult with donors on investment options for such fund.

Costs of accepting and administering gifts

The direct costs of administering gifts are paid out of the assets of the individual funds. Custodial, investment, and administrative fees are paid from the respective funds in accordance with the Foundation's guidelines and fee schedules. The Foundation reserves the right to assess a set-up fee.

The Foundation will not pay the fees or expenses incurred by a donor in connection with any gift to the Foundation including, but not limited to, legal fees, appraisal fees, environmental testing fees, broker fees, transfer costs, etc.

Types of gift assets

Generally, gifted assets will be either 1) "liquid" assets such as cash or marketable securities, or 2) "illiquid" assets defined as everything that is not cash or marketable securities. With respect to non-cash assets, it is the Foundation's general policy to liquidate all gifts promptly. However, the Gift Acceptance Committee may refer a gift to the Investment Committee to determine whether or not to liquidate it immediately. Factors the Investment Committee will consider include but are not limited to:

- Market conditions – a gift may be retained for a reasonable period of time if the likely sales price would be substantially less than the asset's real value. Similarly, a large block of stock might be sold over a period of time in order not to artificially depress the price.
- Use by the Foundation – the Foundation may elect to keep gifts that it will employ directly in furtherance of its exempt purposes. For example, the Foundation might keep real property that it will use as its offices.
- Desirability as an investment – on rare occasions, the Foundation may be given property that it wishes to retain as an investment. Considerations in this decision include the projected return and how the asset fits into the Foundation's investment portfolio.

If a fund's illiquid assets do not generate a sufficient return to permit grantmaking that is consistent with the assets' value, the Foundation will seek an additional gift of cash or marketable securities to allow the fund to begin making distributions.

Liquid assets

Cash

The Foundation accepts gifts of cash

- In currency of the United States;
- By checks made payable to the Foundation or the component fund; or
- By credit cards or wire transfer to the Foundation's account(s).

Marketable Securities.

General. The Foundation accepts gifts of marketable, publicly traded stocks and bonds. As a general rule, publicly traded stocks and bonds contributed to the Foundation will be redeemed or sold as soon as practicable. All proceeds from such redemption or sale less commissions and expenses are then credited to the component fund to which the stocks or bonds were originally contributed. The Foundation may accept gifts of publicly traded stocks and bonds in any amount to any existing fund. However, gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

Appraisal. No appraisal is required so long as the stock or bond is not subject to any restrictions, including those imposed by contract or the Securities and Exchange Commission. Where appraisal is not required, The Foundation will provide the high and the low prices of the securities on the date of the gift to the donor and record the cash proceeds from the sale of such securities as the amount of the gift on its books.

Illiquid assets

Real Estate.

General. This policy applies to all gifts of real estate, including outright gifts of residential and commercial property and farmland; bargain-sale transactions; and gifts of remainder interests in which the donor retains a life estate. The Foundation does not accept gifts of time shares nor any real estate that has been used in any commerce potentially involving hazardous waste (e.g. gas station, dry cleaners)

Gifts of real estate must be reviewed by the Gift Acceptance Committee and legal counsel. Subject to the Committee's approval, the Foundation may accept gifts of real estate to any fund. All gifts of real estate must be approved by the Board. Gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

Appraisal. Each gift of real estate giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal. *The Foundation reserves the right to undertake its own appraisal.*

Distributions. Distributions from a component fund that consists entirely of real estate are limited to the net income generated by the property less fees and expenses assessed by the Foundation and any UBTI expense imposed thereon.

Liquidation. The Foundation will generally seek to sell real estate as soon as possible and generally will not accept gifts that cannot be liquidated within three years.

Procedures for Accepting Gifts of Real Estate. Donors will provide the information and documents requested in the Real Property Estate Donation Checklist and the Real Estate Inquiry

Form at the earliest possible time prior to the acceptance of the gift. The Foundation may request additional information or documents when necessary to its evaluation of the proposed gift.

Whenever possible, a member of the Foundation staff or an authorized representative will visit the property to determine its nature and type and to identify any potential problems not evident from information supplied by the donor that might hinder or prevent the foundation's sale of the property. The foundation may require a Phase I Environmental report as a prerequisite to the acceptance of any gift of real estate.

Closely-Held Transfers.

General. Gifts of non-publicly traded stock, membership interests in LLCs, or partnership interests (Closely-Held Assets) must be reviewed by the Gift Acceptance Committee, legal counsel and the Investment Committee. Subject to the Committees' approval, the Foundation may accept gifts of Closely-Held Assets in any amount to any existing fund. Gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement. The Foundation may accept gifts of stock in Closely-Held Assets that generate UBTI only if certain agreements are reached with the donor and/or the entity involved. These include an agreement by the donor that the taxes on the UBTI and the Foundation's associated administrative expenses (e.g., accounting and tax return preparation) will be charged against the fund holding the contributed stock. Further, the donor must agree to contribute additional cash to the fund to pay the foregoing taxes and administrative expenses to the extent there is insufficient cash in the subject fund balance to cover such taxes and expenses.

Appraisal. Each gift of Closely-Held Assets giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal. The Foundation reserves the right to undertake its own appraisal.

Distributions. Distributions from a component fund that consists entirely of Closely-Held Assets are limited to the income generated by the securities less fees assessed by the Foundation and any taxes on UBTI applicable to such interests.

Liquidation. The Foundation will generally seek to redeem or sell Closely-Held Assets contributed as soon as possible and generally will not accept gifts that cannot be liquidated within three years.

- *Procedures for Accepting Gifts of Closely-Held Assets.* The Foundation will review corporate governing documents to determine the rights and obligations associated with the Closely-Held Asset and whether or not the Foundation should undertake such obligations in light of such rights.
- The Foundation will review the entity's most recent tax returns and the donor's most recent tax information relating to such entity to determine the nature of the income

associated with the entity (e.g., unrelated business income, active versus passive business income).

- All proposed transfer documents must conform to the Foundation's form or be approved by the Foundation's legal counsel.
- As a condition for the Foundation's acceptance of the gift, a written agreement between the donor and the Foundation should be in place that provides for the payment of administrative expenses and UBTI taxes generated by the entity to the extent there is insufficient cash in the fund to which the entity interest has been donated to cover such expenses and taxes. The agreement should also require the donor to indemnify the Foundation against all liabilities incurred by the donor on account of the donor's ownership of the entity prior to the date of the gift.
- The donor shall provide the Foundation with all documents which outline, discuss or relate to the duties and liabilities which owners have, including Shareholder, LLC operating, and ownership or partnership Agreements.
- Take into account any limitation regarding "excess business holdings" discussed in the DAF section above.

General Partnership Interests.

The Foundation generally does not accept gifts of general partnership interests due to the unlimited liability of general partners.

Tangible Personal Property.

General. The Foundation accepts gifts of personal tangible property (e.g. artwork, coin collections, jewelry) only if the Foundation determines in its own discretion that it will be able to sell the property. The donor must agree that the sale price shall determine the value of the contribution for Foundation accounting purposes. The Foundation may accept gifts of personal tangible property in any amount to any existing fund. Gifts of tangible personal property to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

Appraisal. Each gift of personal tangible property for which the donor expects a charitable deduction exceeding \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining and paying for such appraisal. The Foundation reserves the right to undertake its own appraisal.

Procedures for Accepting Personal Tangible Property. The following procedures apply to all proposed gifts of personal tangible property:

- The Foundation will review all prior appraisals and authentication documents, if any available, relating to the property.

- The Foundation will ascertain the market for such property and estimate the costs to be incurred in connection with the sale as well as the costs of holding the property prior to sale.
- All costs incurred by the Foundation in connection with delivering, storing, insuring, holding and sale of the property shall be charged against the sale proceeds, with the balance being credited to the fund to which the property has been contributed.

Life Insurance

General. The Foundation may accept gifts of life insurance policies so long as: (a) the policy is not encumbered (i.e., there is no outstanding loan against the policy); and (b) the Foundation is made the policy's owner and primary beneficiary.

The gift is valued at its interpolated terminal reserve value, or cash surrender value. If the donor contributes future premium payments, the Foundation will include the entire amount of the additional premium payments as a gift in the year that it is made. If the donor does not elect to make gifts to cover the cash premium payments on the life insurance policy the Foundation, in its sole discretion, may: continue to make payments, convert the policy to paid up insurance, sell or surrender the policy for its current cash value. When premium payments can no longer be made because there is insufficient value in the policy to keep it in force, or because the Foundation chooses to discontinue premium payments, the policy will be surrendered.

The Foundation may accept gifts of life insurance policies in any amount to any existing fund. Gifts of life insurance policies made to a donor advised fund will a) be sold or surrendered with the written agreement of the donor in order to make the funds available for charitable distributions while the donor is still living or b) be held as an asset in the donor advised fund but not available for purposes of charitable distributions until the proceeds become available at the death of the donor.

Appraisal. Each gift of a life insurance policy giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal. The Foundation reserves the right to undertake its own appraisal.

ADDITIONAL CONSIDERATIONS FOR ACCEPTANCE OF ILLIQUID ASSETS

In connection with the acceptance of many types of illiquid assets, the Foundation may incur costs such as UBTI, fees or commissions associated with the sale or liquidation of assets, asset management and holding costs, appraisal fees, consultant or legal fees or other expenses outside the normal scope of the Foundation's administrative costs. Accordingly, as a condition of the Foundation's acceptance of the gift, the Foundation may require a pledge or other written agreement between the donor and the Foundation that provides for the payment of all or a portion of any such costs or expenses, including taxes on UBTI, to the extent there is insufficient cash in the donor's fund to which the asset(s) have been donated to cover such costs.

DEFERRED GIFTS & PLANNED GIVING.

These are gifts where the benefit does not fully accrue to the Foundation until some future time, or whose benefits are split with non-charitable beneficiaries. Foundation representatives are authorized to solicit direct charitable gifts through wills, as well as contributions to establish gift annuities or charitable trusts. The Foundation will work closely with donors and confer with financial advisors, at the request of the donors, to realize these gifts.

Bequests

The Foundation accepts bequests from donors who have directed in their wills or trusts that certain assets be transferred to the Foundation and honors the wishes of the donor as expressed, but reserves the right of refusal as the Foundation, in its sole discretion, deems necessary and appropriate. Sample bequest language for restricted and unrestricted gifts is available from the Foundation, to donors and/or advisors, upon request. The Foundation may not be named as Executor or Trustee for a donor in his/her will or any trust instrument and will not serve if named. The Foundation may create a named fund in memory of the donor, if there is no stipulation for anonymity. The Foundation's employees may not assist in any manner in the preparation or execution of any will, Trust, or beneficiary designation forms.

Retirement Plans or IRA Accounts

Donors may name the Foundation as the beneficiary of their retirement plans. Retirement plans include, but are not limited to, Individual Retirement Accounts (IRA), 401(k), 403(b), and other defined contribution plans.

Qualified Charitable Distributions (QCD)

A QCD is also referred to as an IRA charitable rollover. Some of the requirements are that the gift must come from a traditional IRA or Roth IRA account, the total QCD gifts in any year from any one donor are limited to the maximum amount allowable by law, the IRA administrator must make the payment directly to the Foundation (a donor with check writing privileges on an IRA account can write a check to the Foundation and it will qualify as a QCD), the IRA donor cannot be entitled to any economic benefit in return for the QCD, the IRA donor cannot take a charitable deduction for the QCD, and the QCD may not be contributed to a donor advised fund.

As there are complex IRS regulations regarding at what age you are eligible to make a QCD we advise that you confer with your tax advisor before making any gifts.

The Foundation will send a distinct form of acknowledgment that incorporates required acknowledgment language for this type of gift.

Life Income Gifts

The Foundation will work closely with donors to implement planned giving options that provide income to a donor or his/her designees, as well as financial benefit to the Foundation (split-interest gifts). Options include:

Charitable Remainder Trusts (**CRT**). This trust makes payments to one or more non-charitable beneficiaries for their lifetimes, or for a fixed term not to exceed 20 years, or a combination of both. Assets are put into a trust, beneficiaries are paid annuity or unitrust interests, and when the trust term ends, the remainder in the trust passes to the Foundation or other named charitable organization for its charitable purposes. The donor names a Trustee to manage the trust and determines whether the payout will be fixed (a charitable remainder annuity trust (CRAT)) or variable (a charitable remainder unitrust (CRUT)). Trusts can be set up during the donor's lifetime or in their will. The Foundation encourages donors to consult their own legal counsel and tax advisors to create a charitable remainder trust. At the donor's request, the Foundation will confer with his/her advisors to assist in establishing the trust from which it will ultimately benefit. The Foundation will not serve as Trustee of the trust.

Charitable Lead Trust (**CLT**). This trust first makes annuity or unitrust distributions to the Foundation for a specified period, with the remainder reverting to the donor or another beneficiary at the end of the period. It may be set up during one's lifetime or in a will. The Foundation will work closely with the donor and/or his advisor to create the trust but will not serve as Trustee.

Charitable Gift Annuity (**CGA**). This planned gift is based on a gift of Cash or Marketable Securities in exchange for lifetime income, either immediate or deferred, to the donor. It is a contract between the donor and the Foundation and is backed by the Foundation's total assets. The gift is in part a charitable gift and in part the purchase of an annuity. The Foundation offers charitable gift annuities to donors in those states where it is permitted to offer CGAs and shall comply with the regulations in those states where it issues CGAs and where the donor resides. The Foundation may issue CGAs in Pennsylvania. CGAs can be funded with either cash or marketable securities. Any other funding asset shall require the approval of the Gift Acceptance Committee. The annuity rates offered shall not exceed the rates suggested by the American Council on Gift Annuities (ACGA). CGAs can be issued for one or two annuitants. All annuitants to an annuity contract must be at least age 65 to begin receiving annuity payments. With a deferred payment gift annuity the minimum age for all annuitants on the annuity contract at the time of funding shall be at least 55.

Responsibility for IRS Filings upon sale of gift items

The Foundation staff is responsible for filing IRS Form 8282 - Donee Information Return upon the sale or disposition of any non-publicly traded asset sold within three years of receipt by the Foundation when the charitable deduction value of the item sold is more than \$5,000. The Foundation must file this form within 125 days of the date of sale or disposition of the asset.

Refusal of Gifts

Notwithstanding any statement in this policy to the contrary, the Foundation staff, as authorized by the Board, or the Gift Acceptance Committee or The Foundation for Delaware County Board may refuse any proposed gift if it believes that acceptance of the gift presents an undue cost or risk to the Foundation, is not consistent with the mission of the Foundation, or is otherwise not in the best interest of the Foundation. To that end the following additional factors will be considered:

Values—whether the acceptance of the gift compromises any of the core values of The Foundation for Delaware County

Compatibility—whether there is compatibility between the intent of the donor and the organization's use of the gift

Public Relationships—whether acceptance of the gift may damage the reputation of The Foundation for Delaware County

Consistency—is acceptance of the gift consistent with prior practice?

Effect on Future Giving—Will the gift encourage or discourage future gifts?

Liability- does the acceptance of the gift expose the Foundation to any past or future liability beyond its control.

Attach: Donor Bill of Rights

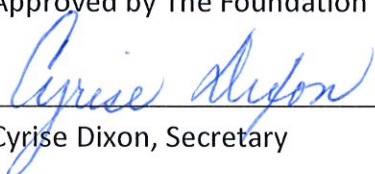
(AFP) Model Standards of Practice for the Charitable Gift Planner

Gift Acceptance Policy

Approved by The Foundation Board of Directors on March 24, 2020
Corliss Boggs, Secretary

Revised November 16, 2021

Approved by The Foundation for Delaware County Board of Directors


Cyrise Dixon, Secretary