



## **Givinga Foundation Policies and Procedures**



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# I. Adoption

The following language, duly adopted by corporate action of the Givinga Foundation. The Foundation (the Foundation) the day of November 15, 2017, hereby constitutes the policies and procedures of the Foundation in accordance with its Certificate of Incorporation and Bylaws. These policies and procedures may be amended from time to time by action of the Board of Directors.

The Foundation, an independent, section 501(c)(3) sponsoring organization that administers donor-advised funds, was organized, and operates exclusively, for charitable purposes. The Foundation provides donors the programs, tools, resources, and support to make charitable giving simple and effective. Contributions to the Foundation are irrevocable and are immediately tax deductible to the fullest extent allowed by law. Contributions to the Foundation can be made at times that are most effective for the donor from a tax or financial planning perspective, while grant recommendations to IRS registered 501(c)3 public charities may be made on a separate timetable to support the donor's charitable aims. The Foundation assets are invested and professionally managed, offering the potential for contributions to the Foundation to grow and ultimately result in greater support for charitable organizations.

The Foundation has been recognized by the Internal Revenue Service (IRS) as a tax-exempt charitable organization that is a public charity sponsoring organization, as described in sections 501(c)(3), 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code ("the Code") of 1986, as amended. The Foundation is governed by an independent Board of Directors and all activities of the Foundation are subject to the Directors' discretion, directly or through staff or other agents.

This guide provides information that is general and informational in nature. It is not intended to be and should not be construed as legal or tax advice. The Foundation does not provide legal or tax advice. In compliance with IRS requirements, any information contained herein is not intended or written to be used, and cannot be used, for the purpose of avoiding tax penalties under the Internal Revenue Code. Content provided relates to taxation at the federal level only. Availability of certain federal income tax deductions may depend on whether you itemize deductions and other individual factors. Rules and regulations regarding deductions for charitable purposes vary at the state level, and laws of a specific state or laws relevant to a particular situation may affect the applicability, accuracy, or completeness of the information provided.

# II. Policy Exceptions

Exceptions to these policies may be granted by a majority vote of the Directors in office at the time the exception is considered.

## III. Board of Directors

### A. Governance

A volunteer Board of Directors composed of community and business leaders is responsible for governance of the Foundation, including establishing policy, determining grants, and overseeing the Foundation's operations. The Foundation is governed by its Certificate of Incorporation and Bylaws and by any resolutions, policies, and procedures adopted by the Board.

### B. Composition and Expectations

Members of the Board are selected for their integrity, competency, and willingness and ability to contribute to the Foundation's mission and provide a wide range of experience, skills, and interests. The Board convenes quarterly. Board members are expected to attend as many meetings as possible and to adhere to the Attendance Policy and all other requirements of the Bylaws.

### C. Nondiscrimination

The Board of Directors of the Foundation does not discriminate on the basis of race, color, creed, gender, handicap, sexual orientation or ethnic origin in its granting or hiring practices.

### D. Committees

All committees will be chaired by a Board member but may include both Board members and non-Board members unless otherwise prohibited by the Bylaws or resolutions of the Board. The number of members on each committee will be determined by the President of the Board. Each committee member is expected to actively participate in committee efforts.

### E. Conflict and Duality of Interest

Occasions may arise when a Board member, staff member, or immediate family of either has an association with an organization or business which could be viewed as a conflict of interest. Board members and staff are expected to act in the Foundation's interests and not use the Foundation to further their own interests. Board or staff members who entrust the Foundation with funds are expected to act in the corporate interest of the Foundation rather than their personal interests. Therefore, to avoid any real or perceived conflicts, the Foundation has adopted a Conflict of Interest Policy. A potential business conflict may arise when the Foundation has business or financial dealings with an entity of which a Board member, staff member, or immediate family of either is an officer, director, partner, or substantial stockholder. Such a conflict may also arise from a grant made to an organization for the primary purpose of supporting a transaction with such an enterprise. "Immediate family" shall be defined as the parents, children, spouse, or sibling of a Board member or staff member. A potential conflict may also arise from awarding a grant to an organization of which a Board member, staff member, or immediate family of either is an officer, director, or trustee. When any such situation occurs, the affected Board member or staff member should disclose the possible conflict of interest.



If the Board member holds a paid position in or is an officer, director, partner, or significant stockholder of the entity to be discussed, he or she shall leave the room during any discussion of the subject during a Board meeting and abstain from voting. If the Board member's association is on a volunteer basis only with a nonprofit, he or she may participate in discussions during Board meetings but must abstain from voting. This policy will also apply to any members of the Foundation committees during committee meetings. To facilitate the recording of and to avoid any potential conflicts of interest, each Board member and staff member shall at the beginning of each fiscal year sign a document attesting to any positions held with other nonprofit organizations either personally or, to the extent of the Board member's or staff member's knowledge, by members of his or her immediate family. In addition, no staff member may hold a paid or volunteer position with another nonprofit or similar entity without prior written permission from the President. Similarly, the President may not hold such a position without prior written permission from the Chairman.

## **F. Confidentiality**

As grant applicants and donors entrust the Foundation with important information relating to their organizations and personal finances, Board members have a continuing obligation to maintain the confidentiality of such sensitive matters.

## **G. Signature/Negotiation Authority**

By corporate resolution of the Board, the President has authority to negotiate and enter into contract agreements on behalf of the Foundation.

## **H. Annual Report/Meeting**

The Foundation will publish an annual report and hold an annual meeting detailing for the public the activities of the previous year including, but not limited to, grants awarded, major gifts received, new funds established, and significant accomplishments. The financial reports shall be audited and will be prepared in accordance with generally accepted accounting principles.

## **I. Whistleblower Protection**

It is the policy of the Foundation to encourage the reporting of any and all information relating to the commission or possible commission of any infraction of federal and/or state laws regarding the Foundation's accounting, internal accounting controls or auditing matters. If an employee, officer or director of the Foundation reasonably suspects the Foundation, or any officer, employee, contractor, subcontractor or agent of the Foundation, has violated any state or federal laws regarding fraud, they should immediately report any suspicions to the Foundation's Audit Committee. Concerns may be submitted to the Foundation's Audit Committee anonymously, if preferred. The Audit Committee will immediately conduct a thorough internal investigation while maintaining complete confidentiality. The Audit Committee will report its findings to the Board of Trustees, and, if the concerns are verified, the Audit Committee will report its findings to the appropriate authorities. Neither the Foundation nor its officers, employees, contractors, subcontractors or agents may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against any

employee for providing information, causing information to be provided, or otherwise assisting in an investigation regarding conduct which the employee reasonably believes constitutes a violation of federal and/or state laws with respect to fraud where the information or assistance is provided to (a) a federal regulatory or law enforcement agency, (b) any member or committee of Congress, (c) any person with supervisory authority over the employee or (d) any other person who has the authority to investigate, discover or terminate misconduct. In addition, the Foundation prohibits retaliation against any employee for filing, testifying, participating in or otherwise assisting with any proceeding regarding the Foundation's accounting, internal controls or auditing matters.

## IV. Financial Policies

### A. Gift Acceptance

Overview: It is the policy of the Foundation to offer the donors the opportunity to make gifts to the Foundation, both of cash and non-cash assets, in a manner beneficial to the donors while protecting the fiscal and legal integrity of the Foundation. The Foundation reserves the right to refuse any gift that it believes is not in the best interests of the Foundation or the donor. Once a gift is transferred to the Foundation, it becomes the property of the Foundation. The Board does not authorize the acceptance of gifts that would jeopardize the financial, legal, or moral integrity or reputation of the Foundation. The Foundation will enter into a Fund Agreement (the "Agreement") with each donor at the time the Fund is established. All information concerning prospective donors shall be confidential. No information shall be released to members of the general public who do not have a need to know without securing the prior permission of the donor. Full responsibility rests with the donor for claiming any income tax deductions, including filing federal tax form 8283 or any other form required under state or federal law. Full responsibility also rests with the donor for the value given to tangible personal property or services. The Foundation does not give legal or tax advice. In conformance with Treasury Department regulations, 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 therefrom, in furtherance of its exempt purposes. All gifts, other than cash or marketable securities, will require review by the Board. The Foundation may decline a gift for any reason.

#### The Foundation accepts:

- Checks, money orders, bank drafts, and gifts via credit card
- Marketable Securities: The Foundation accepts gifts of publicly traded stocks and bonds. Account Holders may contribute publicly traded securities to the Foundation by having a broker transfer securities in deliverable form to the Foundation's custody Account. Upon receiving the appropriate paperwork and the donated securities in good order, the Foundation will generally sell the securities at the earliest date possible, but reserves the right to sell at any time. Contributions of stock will generally be processed on the Business Day on which the assets are received by the Foundation, provided the assets are received in good order, reviewed and approved prior to Market Close.
- Contributions to the Foundation from a mutual fund Account: Generally, contributions of mutual funds require two to four weeks for processing once THE FOUNDATION has received the original Letter of Instruction, attached to the Contribution Form or the Donor Application. From late November until the last

Business Day of each calendar year, special deadlines may apply in order to ensure delivery and acceptance of securities before the December 31 tax deadline for claiming a charitable tax deduction. Written confirmations of contributions of securities received after this tax deadline will reflect the fair market value of the securities on the date and year in which they are received.

- Securities in Closely Held and S-Corporations: Prior to acceptance, gifts of securities in closely held or S-corporations will be reviewed by the Foundation. No such gifts will be accepted unless given Board approval.
- Other Assets and Forms Gifts May Take: Other types of gifts not mentioned in this policy may be acceptable subject to approval of the Board.
- In the event a donation via ACH is voided due to non-sufficient funds from the Donor Account The Foundation reserves the right to charge a fee of \$25 to cover its costs.

### **Excess Business Holdings**

A donor's account (as described below) may not hold more than a minor interest in a business when the account Holder or a related party ("disqualified person") also holds an interest in the business. This is known as the "excess business holdings" rule, which prohibits the account and disqualified persons from together holding more than a 20% interest in a business enterprise (20% of the voting stock of an incorporated business or 20% of the profits interest of a partnership or joint venture) or any interest in a sole proprietorship or unincorporated entity. The Foundation will identify any potential gift that would qualify as an excess business holding and will notify the prospective donor. The Foundation will dispose of any excess business holding as quickly as possible, but no later than after the five-year legal limit for doing so.

## **B. Types of Funds**

The Foundation offers several types of Donor Advised Funds to assist donors in designing a philanthropic giving plan that is exactly suited to their needs and interests. A donor can establish a named fund with an initial donation minimum of \$10. An account must maintain an annual minimum balance of \$100. If a fund balance drops below \$100, the donor must bring the fund back to \$100 or grant the remaining balance out within six months. Donors who wish to make a gift of less than the minimum are encouraged to contribute to a Foundation Pooled account.

### **Donor Advised**

Donor Advised Funds allow the donor to create a fund without naming any specific charitable institutions and retaining the right to recommend grants to charitable organizations of his or her choice over time. However, since the Foundation owns all funds, any such recommendations shall be solely advisory, and under no circumstances shall the Foundation be bound by any such advice or recommendation. In addition to the donor, the fund can be advised by a person or advisory committee named by the donor. Advisors are subject to the Foundation's Advisor Succession Policy. The Foundation evaluates recommended grants from Donor Advised Funds to ensure that all recommended recipients are legitimate charities.

## **C. Creating an Account at The Foundation**

### **Eligibility to Establish an Account**

Individuals, corporations and other business entities, trusts and estates are all eligible to establish a charitable giving account with the Foundation, also referred to as an “Account.” However, charitable organizations exempt under section 501(c)(3) of the Internal Revenue Code, such as private foundations, are not eligible to establish an Account.

### **To Establish an Account**

Individuals, trusts and estates may establish an Account by completing a Donor Application and making an initial irrevocable contribution to the Foundation of \$10 or more. For corporations and other business entities, the minimum initial irrevocable contribution is \$1,000.00. Applications may be obtained on our web site, [www.givingafoundation.org](http://www.givingafoundation.org) or directly through Givinga.com. Once the Account is established, Account Holders may make additional contributions at any time via Givinga.com. Per our Gift Acceptance Policy, The Foundation reserves the right to reject an account or applicant in its sole discretion.

### **Naming the Account**

As part of the establishment process, Account Holders will be asked to name their Account.

### **Naming a Primary Account Holder**

The Primary Account Holder is the individual who has primary responsibility for the relationship with the Foundation. All Account correspondence, with the exception of Tax receipts related to contributions made by Additional Account Holders (as described below) and/or third-party contributors, will be sent to the Primary Account Holder at the Primary Account Holder’s email address of record. Generally, the Foundation requires an individual to be named as the Primary Account Holder. The authorized representative of a trust or estate may be named as the Primary Account Holder.

### **Additional Account Holders**

Primary Account Holders may name up to three other secondary persons in addition to the Primary Account Holder on an Account (“Additional Account Holders”). Each Additional Account Holder will have full and equal privileges to recommend grants, but may not name and remove successors to the Account, or name and remove Additional Account Holders. Primary Account Holders must provide written consent to the addition or removal of Additional Account Holders. Additional Account Holders will receive confirmations of their individual contributions to THE FOUNDATION for tax purposes. Additional Account Holders do not receive grant confirmations, even of grants they recommended.

Minors may be named as Additional Account Holders (not Primary Account Holders) of an Account only where the minor’s legal guardian (1) is the Primary Account Holder on the same Account, and (2) authorizes all



transactions initiated by the minor, until the legal guardian establishes that the minor has reached the age of majority in the minor's state of residence.

### **Creating a Campaign Fund**

A Campaign Fund is an Account that names a specific charitable organization or organizations to receive grants from such Fund. If the beneficiary of a Campaign Fund ceases to exist and the donor has not named a contingent beneficiary, the Board will preserve the Account Holder's intent by redirecting the distributions from the Account to the organization with the closest similar mission.

### **Eligibility to Create a Campaign Fund**

Campaign Funds may only be initiated by an existing Account Holder with an active account (Campaign Sponsor) and must be established with funds from an existing Account. A designated beneficiary must be named prior to the campaign's launch. Named Campaign Fund beneficiaries cannot be changed without the approval of the Foundation's Board of Directors.

### **Campaign Duration**

Maximum duration is 90 Days. Campaigns may be closed earlier and funds dispersed upon notification of the Foundation by the Campaign Sponsor. All Campaign contributions will be paid in full to named beneficiary within 5 business days of Campaign completion.

### **Third-party Contributions**

Third parties— individuals other than the Account Holders of record on the Account— may make charitable contributions to the Foundation and may be eligible to take a tax deduction for their contributions. All contributions must meet the criteria outlined in these Policies and Procedures and be accompanied by a Contribution Form signed by the third-party contributor to ensure allocation to the appropriate Account and proper confirmation to the third party for tax-reporting purposes.

Third-party contributors have no account privileges (including privileges to recommend investment allocation and/or grants) with respect to such contributions.

Third-party contributors who wish to take a full deduction for their contribution may not receive anything in exchange for or in consideration of their contribution, under IRS rules and the Foundation's policies.

Account Holders may solicit third-party contributions on behalf of a specific charitable organization but may not guarantee to contributors that intended grant recommendations will be approved.

## D. Fees

There are no subscription or setup fees associated with creating an Account or running a Campaign Fund on the Foundation platform. There are no annual administrative fees charged on assets under management. 100% of a donor's initial contribution to the Foundation may be tax deductible. There are no per transaction fees. If a donor funds their account with a credit card, a 3% fee will be added to the donation amount to cover the credit card transaction fee. There will be no fee to donations made via ACH.

The Foundation withholds 5% of donations made to Campaigns by non-account holders. This acts as payment to the Foundation for services provided.

## E. Account Holder Succession

The Account Holder(s), or advisors, to a Donor Advised Fund are named by the donor at the time the Account is established. At that time or at a later date, the Account Holder may name an advisor to succeed him or her upon his or her death or resignation. The Account Holder must identify his or her successor by name (i.e. "John Smith," not "my child") and provide the successor's most recent mailing address. Each succeeding advisor may also identify in writing a subsequent successor in the same manner. If the Foundation has received no written notification of a successor advisor during the life of the Account Holder and no indication within 12 months of the Account Holder's death that a successor was named in a will, the Foundation will distribute all remaining assets in the Account to either the Account Holders designated Default Charity or the designated charities of record on the Account.

## F. Investment Policy Statement

### Purpose

The Foundation Board has adopted an Investment Policy Statement to establish its investment objectives and philosophy. While shorter-term investment results will be monitored, adherence to a sound long-term investment policy, which balances short-term needs with preservation of the real (inflation-adjusted) value of assets, is crucial to the long-term success of the Foundation.

### Scope

This Investment Policy applies to all assets that are included in the Foundation's investment portfolio. The Board has authorized an Investment Committee to oversee the portfolio.

### Fiduciary Duty

In seeking to attain the investment objectives set forth in this Policy, the Investment

Committee and its members shall exercise prudence and appropriate care in accordance with the Prudent Investor Rule. All investment actions and decisions must be based solely in the interest of the Foundation. All of the Foundation assets will be invested in a manner consistent with Massachusetts law and the Foundation's governing instruments. Any Investment Committee member who believes he or she may have a potential conflict of interest must provide full and fair disclosure to the Investment Committee of all material facts regarding such potential conflict.

### **Definition of Duties**

The Board of Directors of the Foundation has the ultimate fiduciary responsibility for the Foundation's investment portfolio. The Board must ensure that appropriate policies governing the management of the Foundation are in place and that these policies are being effectively implemented. To implement these responsibilities, the Board sets and approves the Investment Policy Statement and delegates responsibility to the Investment Committee for implementation and ongoing monitoring of the investment portfolio.

The Investment Committee of the Board, which shall serve as the Investment Committee for the Foundation, is responsible for implementing the Investment Policy. This responsibility includes developing investment strategy, hiring and firing of investment managers, custodians and investment consultants, monitoring performance of the investment portfolio on a regular basis (at least semiannually), and maintaining sufficient knowledge about the portfolio and its managers so as to be reasonably assured of their compliance with the Investment Policy Statement.

The Investment Committee is responsible for managing and overseeing the Foundation's investment portfolios.

The Investment Committee assumes the following responsibilities as they pertain to:

#### **i. Statement of Investment Objectives and Policies**

Make recommendations to the Board, when deemed necessary, as to changes in the objectives, guidelines, or standards, based upon material and sustained changes in the capital markets, or changes in the goals of the Foundation.

#### **ii. Asset Allocation**

Make recommendations to the Board, when deemed necessary, as to the appropriate portfolio weightings among the various major asset classes (e.g., stocks, bonds, and cash) and sub-asset classes (e.g., domestic vs. international, large cap vs. small cap, growth vs. value, etc.).

#### **iii. Distribution Policy**

Review and make recommendations to the Board as needed with regard to an appropriate distribution rate policy.

**iv. Selection of Investment Managers or Vehicles**

Implement a selection process by identifying and screening candidates and vehicles for appropriate portfolio and organizational characteristics. This will include due diligence checks, quantitative measurement of expected risk/return relationship among various alternatives, participating in the interview process and serving as an overall information-gathering conduit for the Board and the President (including drafting and summarization of requests for proposals).

**v. Managers Requested by Account Holders**

The Committee recognizes that certain large Account Holders may desire to recommend the use of a specific manager or broker to oversee their contributed funds. Such requests for Account Holder recommended managers are subject to the following conditions:

1. The contributed funds must be in excess of \$250,000.
2. The Account Holder's agreement with the Foundation must include an understanding that the appointed manager will take directions solely from the designated contact at the Foundation.
3. The manager agrees that he/she is responsible only to the Foundation as regards these funds and, as such, is subject to and must comply with this Investment Policy and asset allocation as determined by the Foundation.

**vi. Low-Fee Index Fund Option**

The Investment Committee is authorized to establish index fund accounts, if deemed prudent and desirable.

**vii. Monitor Investment Performance**

A performance evaluation of the portfolios and their component parts will be conducted quarterly. A report will be provided to the Board following the close of the quarter. The President of the Foundation has daily responsibility for administration of the Foundation's investment portfolio and will monitor the performance of the investment portfolio on a regular basis (at least quarterly). In addition, the President will consult with the Investment Committee and Board on all matters relating to the investment of the Foundation's portfolio, and will serve as primary contact for the Foundation's investment managers, investment consultants, and custodians.

**G. Grant Distributions****Board Procedure**

The Board, the Executive Committee, or the President must approve all grants. Grants from Accounts of \$25,000 or less to new grant recipients may be approved for payment by the President contingent upon the

recipient organization's tax-exempt status being confirmed. Grants from Accounts to new recipients in excess of \$25,000 must be approved by either the full Board or the Executive Committee.

### **Payment of Grants**

The Foundation will pay each grant as soon as possible after the grant has been approved and the required funds transferred to the Foundation's disbursement account. All grants will be accompanied by an email announcing the grant award, identifying the fund and donor, unless the donor wishes to remain anonymous. Grants from donor-advised funds may be made to tax-exempt registered 501(c)3 public charities. When a grant is issued from a donor-advised fund, a letter will be sent to the Primary Account Holder verifying payment of the grant. Funds will be transferred from the Donor Advised Fund to the Foundation's disbursement account at the time the grant request is made. Grants will be made from each Fund consistent with the instructions given by the Primary Account Holder at the time that the Fund was established. If, however, the instructions are contrary to the Certificate of Incorporation, Bylaws or these Policies and Procedures, then the Primary Account Holder's instructions shall be modified to a degree that is necessary for compliance with these Policies and Procedures. To the extent practicable or feasible, the Board of Directors shall distribute amounts for purposes that are consistent with the Primary Account Holder's charitable interests. The Foundation is vested with ultimate authority and control over the principal and income of each Fund. Unless otherwise requested by the Account Holder, any distribution shall identify the name of the Fund from which it is made.

### **Grant Restrictions**

Grants must NOT provide a financial benefit to The Primary Account Holder.

The Foundation will not make a grant that provides a financial benefit to Account Holder, or any third party contributor. Distributions from the Foundation may not be used in whole or in part to satisfy any pre-existing legally binding pledge or for any private benefit such as dues, membership fees, benefit tickets or tables at fund-raising dinners, or goods and services bought at charitable auctions. The Foundation may make grants that provide a Donor, Donor Advisor(s), Advisory Committee member or related party with name recognition and such other incidental benefits as permitted by the Internal Revenue Service. The Foundation will not make any grant, loan, compensation or similar payment (including expense reimbursement) to an Account Holder, Advisory Committee member, any person in whose honor a Fund is created or named or any related party from any fund that is classified as a donor advised fund under the law. The Foundation will also not make any grant directly to an individual or to an organization for the benefit of a specified individual from any fund that is classified as a donor advised fund under the law.

### **Validation**

An applying organization must be a registered 501(c)(3) public charity as defined in section 509(a)(1) and/or section 170(b)(1)(a)(vi) or section 509(a)(2) of the Code. Such organizations include governmental units, but only if the grant is made for exclusively public purposes; organizations operated exclusively for religious,



charitable, scientific, literary, or educational purposes, such as schools, medical institutions, and publicly supported organizations. Before any grant is issued, the Foundation will use due diligence to ensure the validity of an organization's tax-exempt status. If evidence of an organization's 501(c)(3) status or equivalent status is not on file at the Foundation, a copy of this documentation must be obtained before a grant is issued. If this documentation was received more than one year prior to the grant request, the Foundation will verify that tax-exempt status currently exists.

### **Minimum Grant Amount**

The minimum amount for which a grant from the Foundation may be issued is \$10.

There is no maximum grant amount limit as long as the activities of the Account remain in compliance with the Distributions Policy of the Foundation. There is no limit on the number of grants which may be issued in a year from any single Account as long as the activities of the Account remain in compliance with all other policies and procedures of the Foundation.

### **Inactive Accounts**

An Account is deemed inactive if:

- The Primary Account Holder dies or resigns or evidence of his or her incapacity is provided to the Foundation, and if no successor advisor has been named.
- All named successor advisors are unable or unwilling to serve as such.
- No recommendations are made with respect to grants from the Account for a period of two years and, during such period, the advisor or successor advisor does not reply to the Foundation's attempts to contact them.

If the Account becomes inactive, the Foundation will deem the advisory period to have ended and will initiate distributions from the Account in accordance with the provisions of the Account agreement.

### **Termination**

Unless otherwise specified in the Account agreement, upon the death, resignation or incapacity of the last advisor to the Account, or if the Account is determined to be inactive, the assets of the Account will become a part of the Foundation's unrestricted funds. If the principal balance of the Account exceeds \$ 10,000.00 the Account will continue to be maintained as a separate named Account for discretionary purposes or as a field of interest fund, if the Account Holder(s) or successor-advisor(s) have specified in writing one or more broad fields of interests for the Account.

### **Publicity**

Grant recipients will be notified that acceptance of any grant from the Foundation assumes an agreement that the award may be publicized to some degree by the Foundation. This may include listing the grant in the Foundation's annual report, submitting information about the grants, or any other form of publicity. It is

preferred that the identity of the donor and the amount of the grant be publicized, but this information may be withheld at the donor's request.

## H. Other Considerations

Under the Internal Revenue Code ("the Code"), deductions for charitable contributions are subject to certain "percentage limitations" that limit the deductions that can be taken to a stated percentage of adjusted gross income ("AGI") in the year the deduction is taken. (Deductions in excess of these percentage limitations may be carried forward up to five subsequent years.) Because the Foundation is a public charity, the percentage limitations that apply are generally the most favorable charitable deductions available under IRS rules.

Deductions for contributions of long-term capital gain property (such as appreciated securities held for more than one year) may be taken. Deductions for most other contributions (including contributions of short-term capital gain property and cash equivalents) may be taken up to 50% of AGI. Your ability to take itemized deductions may be subject to certain other limitations. Please contact your tax advisor to determine your tax deductibility limits.

### **Tax treatment of the Foundation income and of grants made to charitable organizations**

Any income that accrues to donated funds in an Account is income of the Foundation, not of the Account Holder. Therefore, the Account Holder is neither subject to tax on that income nor eligible to take further charitable contribution deductions with respect to that income. Income or loss to the Foundation will be reflected in the value of each Account. When the Foundation makes grants to charities based on recommendations, the Foundation is granting its own assets. Accordingly, Account Holders are not eligible for additional charitable deductions for these grants.

(Any charitable contribution deduction would have been available at the time of the contribution to the Foundation) If an Account Holder receives a tax receipt from the grant recipient in connection with a grant from the Foundation, it may not be used for tax purposes. Account Holders, and certain authorized advisors and third-party individuals, may recommend how funds in an Account are allocated among one or a combination of the available investment options. All investment allocation recommendations are subject to review and approval by the Directors. When no investment allocation is recommended for the initial contribution at the time of Account establishment, the proceeds will be invested in the Money Market Pool. Once an Account has been established, the Foundation requests that donors make an investment allocation recommendation each time an additional contribution is made. If no allocation is recommended at the time an additional contribution is made to the Foundation, the proceeds will be invested to proportionately reflect the allocation of the Account's current balance.

For a zero-balance Account, if no allocation is recommended at the time of a contribution, the contribution will be allocated to the Money Market Pool. Account Holders may recommend the investment allocation of contributions and from which investment options grants should be disbursed.



**Contact Information:**

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