



SUPPORTING THE LEADERS OF TOMORROW



GC Chamber Foundation Gift Acceptance Policy



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Mission Statement and Purpose of Gift Acceptance Policy

The Grove City Chamber Foundation, hereafter the GCCF of the Foundation, was established by a group of members from the Grove City Area of the Chamber of Commerce who sought to improve the educational opportunities for members of our community through financial assistance.

The Mission of the GCCF is to improve the prosperity of the community through education and personal growth. The purpose of the Foundation's Gift Acceptance Policy (the "Policy") is to govern the acceptance or non-acceptance of proposed gifts and to provide guidance to donors and their professional advisers. All gifts are to be considered for acceptance in accordance with the policies in this document and with any other policies or procedures adopted by the Foundation.

The scope of this Policy is limited to acceptance or nonacceptance of proposed gifts; it is not intended to/ cover the disposition of property owned by the Foundation or recognition of donors.

Use of Legal Counsel

The use of tax and/or legal counsel by the donor and the Foundation is advantageous to both parties. The Foundation cannot serve as both the donor's adviser and the recipient of the donor's gift. Therefore, potential donors are advised to consult an independent tax or legal counsel before making gifts to the Foundation.

Donor's Use of legal counsel

It is the donor's responsibility to retain appropriate independent tax and legal counsel, particularly in complex transactions such as gifts of partial interests, charitable gift annuities, charitable remainder trusts, gift agreements, and charitable lead trusts. The Foundation will not participate in such transactions unless it is assured that the council for the donor has had an opportunity to review and approve the documents.

The Grove City Chamber Foundation's Use of Legal Counsel

Split-interest gifts and outright gifts of assets other than cash or publicly traded securities will be reviewed in advance by Grove City Chamber Foundation Board and the Gift Acceptance Committee. As it deems appropriate the Grove City Chamber Foundation may retain outside legal counsel to assist with the evaluation of potential gifts.

Gift Definition

A gift is defined as a voluntary transfer of assets from a person or an organization to the Foundation. Gifts are usually in the form of but are not limited to, cash, securities, real estate, or personal property. The Foundation may accept or decline any gift. The following criteria generally identify a gift:

- A gift is motivated by charitable intent.
- Gifts are irrevocable transfers of assets.
- Gifts are not generally subject to an exchange of consideration or other contractual duties between the Foundation and the donor, except for certain split-interest gifts as set out in this Policy, although objectives may be stated and funds may be restricted to a specific purpose.
- Donors are not provided formal financial accountings. A general report from the donor stating the use or impact of the gift is appropriate and may be desirable, especially in the case of named gifts to the Endowment Fund.
- Generally, funds received from individuals, closely held corporations, and family foundations will be classified as gifts. Funds received from corporations, corporate foundations, and major foundations will be classified as gifts unless the grant requires performance or other consideration.
- A gift is not completed until it has been accepted by the Foundation. The Grove City Chamber Foundation reserves the right to decline any gift.

Types of Acceptable Gifts

Outright Gifts

An outright gift involves the donor's voluntary and intentional transfer of money or assets to the Foundation without the expectation of receiving a benefit related to the value of the transfer. Although the donor may place restrictions on the use of the gift, the donor may not retain control over the money or property transferred to the charity. Examples of outright gifts include cash and cash equivalents, securities, tangible personal property, and some real estate gifts.

Cash and Cash Equivalents

Cash and Checks — Cash and checks may be accepted regardless of the amount. The value of any cash or check is its face value. Checks must be made payable to The Grove City Chamber Foundation. Donors should consult a representative of the Grove City Chamber Foundation for address information before making a gift.

Electronic Funds Transfers — Funds may be transferred electronically to The Grove City Chamber Foundation. Donors should consult their financial institution to make contributions via electronic transfer. Donors should also notify the Foundation when such transfers are initiated, in order to ensure that proper electronic transfer information, appropriate and timely gift acknowledgment, and correct gift credit are given. Instructions for electronic funds transfers are available upon request.

Credit Card Contributions

Funds may be transferred to the Foundation via credit card. Secure credit card contributions may be made at gcchamberfoundation.org. For those making individual credit card contributions through the Member Access section of gcchamberfoundation.org, there is no minimum donation, however, for all other credit card contributions, there is a \$10 minimum donation needed to process the transaction.

Securities

Securities that are actively traded on recognized stock exchanges in the United States will be accepted as gifts to the Foundation in accordance with the policies described below. Securities traded on other stock exchanges and other readily marketable securities, including bonds, mutual funds, and closely held stock, will be evaluated and accepted if it is determined by the Foundation that it is in their best interest. Securities given to the Foundation will be managed by its Investment Committee.

Publicly Traded Securities

The value of a gift of securities is the average of the high and low of the stock(s) or bond(s) on the day the securities are received in the Foundation's gifted securities brokerage account. The value of less actively traded securities, rarely traded securities, or securities that do not trade on the gift date should be determined according to the rules delineated in IRS Publication 561.

The Foundation should be notified in advance about a securities transfer, the identity of the security, the number of shares, the intended gift date, and the designation of the gift if any.

Donation of securities via electronic transfer:

Securities may be transferred directly to the Foundation's gifted securities brokerage account.

Donation of securities via mail (U.S.):

If the donor has physical custody of stock certificates, they should be sent to the Foundation, unsigned, by registered mail. Signed stock or bond power forms must be sent separately from the stock or bond certificates. Signatures on the stock or bond power must exactly match the names on the certificates. Donors should contact The Foundation Treasurer or visit gcchamberfoundation.org for address information.

Mutual Fund Shares — Mutual fund shares may be accepted by the Foundation. In most cases, the Foundation's gifted securities brokerage accounts can accept and liquidate mutual fund shares. However, if the existing accounts cannot, the Foundation may open an account with another institution in order to accept the shares. This process can require several weeks to complete.

Therefore, donors are advised to allow at least two to three weeks for such transactions. The Foundation reserves the right to decline a gift of mutual fund shares.

To initiate a gift of mutual fund shares, the Foundation must be notified of the mutual fund shares being given, the name of the institution at which the shares are held (a brokerage firm, a financial institution, or the mutual fund company itself), the number of shares, the intended gift date, and the intended use of the gift, if any. If the shares are held at the mutual/ fund company, the donor and the Foundation must follow the steps that the company requires for the transfer of ownership of the shares. In all cases, the shares will be liquidated as soon as possible after transfer into the Foundation's account.

The fair market value of mutual fund shares will be determined by the public redemption price of the shares on the date the shares are received into the Foundation's account. If such a price is not readily available, then the value will be determined as if the shares were non-publicly traded securities in accordance with IRS rules currently in Publication 561.

Estate Gifts (testamentary gifts)

Estate gifts are generally arranged during the donor's lifetime, with the transfer of assets taking place after / the donor's death. When practical, any estate gift that would require approval of the transfer of the assets should be reviewed and approved by the Foundation prior to the commitment being finalized. Donors are advised to consult with the Foundation regarding how to designate the gift and to discuss any restriction that is being considered.

Legacy Gifts (bequests)

A legacy gift to the Foundation is a gift made in the donor's will, revocable trust, or a similar estate planning document that effects a transfer at death. Popular designations that benefit the Foundation include a gift of/ a specific amount, a percentage of the estate, or the remainder of an estate.

Direct, unencumbered gifts will be accepted by the Foundation if the underlying assets are in conformity with the guidelines set forth by the Foundation. Donors are encouraged to notify the Foundation when considering a bequest in order to ensure that it meets the criteria set forth in this Policy.

Designating the Foundation as Beneficiary

The Foundation will accept any funds that it receives as a designated beneficiary (or an alternate beneficiary) of a life insurance policy, a deferred annuity contract, an IRA, a defined benefit plan, a 401(k) plan, a defined contribution (profit-sharing) plan, or other qualified plans, unless the designation imposes restrictions or a trust arrangement, in which case prior review and approval by the Foundation are required.

The Foundation will accept a beneficial interest in an insurance policy without minimum but reserves the right to decline to pursue receipt of funds offered under such interest if it proves administratively burdensome.

Life Insurance Policies

The Foundation will accept ownership of life insurance policies that meet the following criteria. If the policy to be gifted is fully paid as of the date of the gift:

- The policy must have a minimum face value of \$1,000
- The life expectancy of the insured must be less than 15 years, as determined actuarially
- The Foundation must have the ability to liquidate the policy for cash value net of any liquidation charges
- The policy must be free of loans when the Foundation takes ownership

If the policy to be gifted is not fully paid and the donor will pay future owed premiums directly to the/ insurance company until the policy is fully paid:

- The policy must have a minimum face value of \$1,000
- The life expectancy of the insured must be less than 15 years as determined actuarially
- The Foundation must have the ability to liquidate the policy for cash value net of any liquidation charges
- The policy must be free of loans when the Foundation takes ownership

Only individual gifts of life insurance will be accepted; individual insurance policies purchased by a group/ of individuals will not be accepted. The Grove City Chamber Foundation will not accept ownership of term life insurance policies.

Major Gift Pledges

The Foundation may accept unconditional promises to give (pledges) with payment terms generally of three years or less and valued at \$10,000 or more. The first payment should represent an equal portion of the total value of the pledge. A pledge meeting these criteria is considered active upon receipt of the signed pledge agreement with the terms established in writing. These pledges are considered by the Foundation to represent a binding obligation of the donor and are recorded on the Foundation's financial statements.

Pledges must also comply with the following restrictions:

- Payments must come from the individual or entity making the pledge.
- A pledge must be for a single designation only (no split-designation pledges).
- Past giving cannot apply to the pledge.
- Payments cannot come from a donor-advised fund or family foundation (unless the family foundation is making the pledge).

Gift Acknowledgment

The Grove City Chamber Foundation is not responsible for maintaining records for proof of charitable contributions and will issue receipts for gifts in compliance with local laws.

Gift Acceptance Committee

The purpose of the Gift Acceptance Committee is to advise the general board concerning the acceptance of gifts to the Foundation, to advise the general board concerning trustee policy regarding acceptance of such gifts, and to develop effective practices and procedures for acceptance and management of gifts to the Foundation.

Meetings of the Gift Acceptance Committee are called on an as-needed basis to review gifts of real estate, tangible personal property, privately held stock, and gifts that fall outside of current gift acceptance practices or guidelines, and to review updates in practices resulting from changes in legal or financial requirements, or as requested by the Foundation board.

Policy Amendment and Review

The Gift Acceptance Committee has the authority to approve minor updates of a nonmaterial nature to the policy at any time, and it also has the authority to amend this Policy as necessary in the event that the Policy becomes inconsistent with the Internal Revenue Code (the "IRC"), or other applicable state or federal laws as of the effective date of such amendment or enactment. The Gift Acceptance Committee, as soon as practicable thereafter, will provide a written report to the Foundation's Board of Directors explaining the reason(s) for any such changes to the Policy and seek ratification of any revisions and amendments.

Responsibility for the review of and adoption of recommended revisions and amendments to the Policy will remain with the Foundation's Board of Directors. The Grove City Chamber Foundation Board shall review this Policy annually.

Policy Effective Date

The Gift Acceptance Policy was adopted and became effective on August 15th, 2022

**IRS Publication 561 can be found on the IRS website

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