



# CLARK COUNTY COMMUNITY FOUNDATION, INC.

## GIFT ACCEPTANCE POLICY

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### Other Policies Referenced:

*Clark County Community Foundation, Inc. – Guidelines for Acceptance of Real Property Gifts*

*Clark County Community Foundation, Inc. – Statement of Investment Policy*

*Clark County Community Foundation, Inc. – Conflict of Interest Policy/Acknowledgement Form*

*Clark County Community Foundation, Inc. – Spending Policy*

## CLARK COUNTY COMMUNITY FOUNDATION, INC. GIFT ACCEPTANCE POLICY

### I. PURPOSE

The purpose of the Gift Acceptance Policy (“Policy”) is to provide the framework and direction used by the Clark County Community Foundation Inc. (hereinafter “Foundation”) to evaluate and classify gifts that are offered by donors, in support of the Foundation’s programs and activities. 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, the donors, and the beneficiaries of the Foundation’s charitable grants, scholarships, programs, and activities, in a uniform and consistent manner.

The purpose of any gift accepted by the Foundation must:

1. Fall within the broad charitable purposes [as per Internal Revenue Service Code Section 501(c)(3)] for which the Foundation was organized and operates;
2. Be of a nature that will not place existing assets of the Foundation at risk;
3. Be one that can easily be converted into a type of asset that falls within the Foundation’s *Statement of Investment Policy*; and
4. Ensure that the Foundation is willing and able to administer the terms of the gift in accordance with the donor’s wishes.

Any gift of real estate, in addition to being evaluated by this Policy, will also be evaluated in conjunction with the Foundation’s - *Guidelines for the Acceptance of Real Property Gifts*.

### II. COMMUNITY FOUNDATION RESPONSIBILITIES

The Foundation Board of Directors (“Board”) is responsible for policymaking and oversight of all of the Foundation’s operations. Any and all policies referenced in this Policy have been adopted by a majority vote of the Board. The Bylaws of the Foundation, Article 5.02, give the Board the power to modify fund restrictions and conditions as it deems necessary. This power is known as a “variance power” and states that the Board is permitted to amend, modify, or vary any of the directions, restrictions, or conditions on distribution of funds for any specified charitable purpose or specified organization if such restriction or condition becomes, in effect, unnecessary or incapable of fulfillment.

The Foundation shall disclose to all prospective donors the benefits and liabilities that could reasonably be expected to influence the donor’s decision to make a gift to the Foundation. Additionally, all donors will be encouraged to consult with their own legal counsel and financial advisors in making their decision. In particular donors shall be made aware of:

1. The irrevocability of a gift;
2. Prohibitions on donor restrictions;
3. Items subject to variability (market value, investment return, and income yield);
4. The Foundation’s responsibility to provide periodic fund statements as required; and
5. The Foundation’s variance power.

The Foundation shall maintain a written record of discussions with donors. The role of the Foundation shall be to inform, guide and assist a donor in fulfilling his or her philanthropic wishes, but never to pressure or unduly influence a donor’s decision.

### **III. GIFT ACCEPTANCE COMMITTEE**

The Investment Committee of the Foundation shall constitute the Gift Acceptance Committee, hereinafter known as the "Committee."

Where the Committee has responsibility or authority, and if at any time a clear determination regarding a potential gift or its circumstances are in question and cannot be made by the Committee then the matter will be submitted to the Executive Committee for further action. The Executive Committee may choose to submit the matter to the Board, and/or seek counsel from legal or other professionals, in order to resolve the matter.

### **IV. GIFT ACCEPTANCE GUIDELINES**

Gifts to the Foundation may come in a variety of types or formats such as; unrestricted gifts (one-time or a series of periodic gifts) from living donors, testamentary gifts that take effect upon a donor's death, life insurance policy proceeds that are payable to the Foundation when it is named as the beneficiary of the donor's policy, among other circumstances.

It is the policy of the Foundation to convert all gifts to cash as soon as practicable. On occasion, the Committee may decide that it will not liquidate certain gifts immediately. Considerations to not liquidate gifts may include, but are not limited to, the following factors:

- Market conditions – a gift may be retained for a reasonable period of time if the likely sale 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 will directly further its exempt purpose. For example, the Foundation might keep real property that it will use for its offices.
- Desirability as an investment – on rare occasion, 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.

The Committee will use the following criteria in the acceptance of any gifts to the Foundation.

#### **1. Gifts Not Requiring Committee Review:**

- a. Cash or checks;
- b. Marketable securities;
- c. Gifts of personal property for use in Foundation offices or programs; and/or
- d. Planned gift bequests made in accordance with the guidelines stated in Exhibit A and/or Exhibit B.

#### **2. Gifts Requiring Committee Review:**

- a. Gifts of cash (greater than \$5,000 per transaction) from public-initiated or donor-initiated fundraising;
- b. Closely held and S-Corporation stock;
- c. Partnership interests;
- d. Limited liability company interests;

- e. Pooled income funds and gift annuities;
- f. Life insurance policies;
- g. Artwork, coin collections, jewelry and other property that is not readily marketable;
- h. Gifts of intellectual property, mineral reserves, precious metals;
- i. Accounts receivable (gifts of loans, notes, mortgages);
- j. Gifts whose structure fall outside the ordinary purposes, Bylaws, and operations of the Foundation; and
- k. Gifts of Real Estate.

## V. GIFTS DECLINED

The Foundation reserves the right to refuse any gift that in its judgement:

- 1. Does not fall within the charitable purposes for which the Foundation was organized and operates;
- 2. Is not in the best interest of the Foundation;
- 3. Is from person(s) who appear to lack sufficient mental capacity to make a rational decision regarding such donation; or
- 4. Is from person(s) who appear to lack sufficient input from competent financial, legal, and/or personal counsel.

## VI. TYPES OF FUNDS

The Foundation offers a variety of funds designed to be responsive to donor needs. While all charitable gifts add value to the community, each Fund serves a specific purpose that can help donors match their reasons for giving, with the needs and opportunities identified by the community and the Foundation. A fund agreement is required to establish an individually named fund with the Foundation.

The Foundation will consider special requests for accepting new funds below the fund minimum, subject to review of the circumstances by the Committee and approval of the Board. This is generally the case with fiscal sponsorship funds, memorial funds or funds established in conjunction with a future bequest.

## VII. ACKNOWLEDGMENT

Donors shall receive an expression of sincere thanks and gratitude from the Foundation and an acknowledgement of the gift in accordance with federal regulations.

## VIII. PUBLICITY

No public media exposure with respect to a Donor's gift will be generated without the Donor's consent.

## IX. RESTRICTIONS

In conformance with Treasury Department regulations governing Foundations, gifts 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 thereon, in furtherance of its exempt purposes.

## X. ACTING AS TRUSTEE

No employee, Director, or committee member shall serve as a trustee, conservator, executor, or personal representative for any of the Foundation's Donors or prospects unless specifically approved by the Foundation Board. All parties shall report such relationships when they complete their annual "Conflict of Interest Policy and Acknowledgement Form".

## XI. INVESTMENT OF GIFTS

The Foundation reserves the right to make any or all investment decisions regarding gifts in accordance with its *Statement of Investment Policy*, as amended from time to time.

In making a gift to the Foundation, Donors give up all rights, title, and interest to the assets contributed. Donors give up the right to choose investments and investment advisors/managers, brokers, or to veto investment choices for their contributed assets.

In unusual and exceptional circumstances, the Foundation will consider requests from donors for separate investment of fund assets subject to the Foundation's *Statement of Investment Policy*. Such requests may be made only at the time a fund is established. Donors give up all rights, title, and interest to the assets contributed. Acceptance of such gifts shall be subject to the review and approval by the Committee and Board.

## XII. COSTS OF ACCEPTING AND ADMINISTERING GIFTS

Generally, costs associated with the acceptance of a gift such as the Donor's attorney fees, accounting fees, other professional fees as well as other costs to establish a gift such as appraisal, escrow, evaluation, and environmental assessment fees will be borne by the Donor.

The direct costs of administering gifts to the Foundation are generally paid out of the assets of the individual funds, except for those special circumstances as determined by the Committee. Custodial, investment, administrative and service fees will be paid from the respective Funds in accordance with the Foundation's guidelines and service fee schedules.

## XIII. CONFIDENTIALITY

The Foundation shall maintain strict control over files and information received from or about Donors or prospective Donors so as to maintain confidentiality of such information. All information shall only be disclosed within the Foundation's confidentiality guidelines as outlined in applicable gift documents or agreements entered into at the time donations are made, and as agreed by the Donor.

## XIV. VARIANCE OF POWER

The Foundation may modify the use, purpose, condition, or restrictions of any Fund created by donor gifts, if, in the sole judgment of the Foundation's Board, such use or purpose or such condition or restriction becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the Clark County Wisconsin community. In exercising this power of variance, the Foundation shall seek to apply distributions from any such Fund that may be created, in a manner as similar as possible to those set forth in the original gift instrument.

## XV. AUTHORITY TO NEGOTIATE AND SIGN DONOR AGREEMENTS

Subject to the Committee's review and approval authority, the Foundation's President will have authority to handle inquiries, negotiate with Donors, assemble documentation, retain expert and technical consultants, and execute agreements on the Foundation's behalf. If the President is not available to perform any of the duties listed above, then the Foundation's Vice-President or Treasurer (in that order) will have authority to perform any or all of those duties.

***For more information, contact:***

Clark County Community Foundation, Inc.  
301 N. Main St.  
PO Box 116  
Loyal WI 54446-0116  
Phone: 715.937.6167  
Email: [Information@clarkccf.org](mailto:Information@clarkccf.org)

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This current version of the Clark County Community Foundation, Inc. - *Gift Acceptance Policy*, has been reviewed and accepted by its Board of Directors at the December 3, 2020 Board of Director's Meeting.

***Attested to and by:***



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Dec 3, 2020

Date

Natalie K. Erpenbach

President, Clark County Community Foundation, Inc.



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Dec 3, 2020

Date

Melanie Franklin

Secretary-Treasurer, Clark County Community Foundation, Inc.

## Exhibit A

### Forms of Gifts to the Clark County Community Foundation, Inc.

#### Overview

Gifts to the Clark County Community Foundation, Inc. (hereinafter “Foundation”) take on a variety of forms. Gifts may be made by living donors either on a one-time or periodic basis. Other gifts may be testamentary gifts that take effect upon a donor’s death, and/or deferred gifts.

If the value of a gift (other than cash or marketable securities) exceeds \$5,000, a donor is required to have a qualified appraisal performed and submitted to the IRS on Form 8283. If such gifts are later sold by the Foundation, within two years of such gift and at a price other than the appraised value, Form 8282 must be filed by the Foundation with the IRS.

The Foundation reserves the right to accept or reject any gift as it sees fit. It is the policy of the Foundation to convert all gifts to cash as soon as practicable. Real estate and other assets which have potential liability associated to it may be accepted upon approval of the full Board of Directors (“Board”). (Reference the Foundation’s – *“Guidelines for Acceptance of Real Property Gifts”*)

#### I. Cash

The Foundation accepts cash, checks, electronic fund transfers, credit card payments, or money orders made payable to the Clark County Community Foundation, Inc., or any of its funds.

#### II. Marketable Securities

The Foundation will add the net cash proceeds of a marketable securities contribution to authorized funds of the Foundation. The Foundation will govern the disposition of securities and will make all decisions regarding the sale or retention of securities.

#### III. Other Business Interests

Gifts of stock in closely held C-corporations, S-corporations, partnerships, and/or limited liability interests for current or deferred gifts will be evaluated on a case-by-case basis and will be subject to approval by the Gift Acceptance Committee and the Foundation’s Board. All such gifts must be valued by a qualified appraiser. The qualified appraiser cannot be the Donor, taxpayer, Donee, or an agent of any of these. The cost of an appraisal shall be paid by the Donor. The Foundation will accept a business interest only subject to the absence of any liability by the Foundation, including cash calls on limited partnerships or other liabilities that would have adverse consequences for the Foundation. In the case of a business interest that is to be sold, the Foundation generally will not join in or participate in the issuance of warranties, representations, indemnification agreements, or covenants not to compete.

The Foundation will charge the fund its costs associated with accepting the business interest (e.g., unrelated business income and attorney fees), upon assurance from the Donor that there will be sufficient value or cash in the fund to pay these costs. Otherwise, the Donor must agree to contribute additional cash to the fund to pay such costs.

#### IV. Limitation on Accepting Gifts of Assets to Donor Advised Funds

The Pension Protection Act of 2006 amended section 4943 of the Internal Revenue code to limit ownership of closely held business interests in a donor advised fund. The Foundation places a limitation on accepting gifts of certain assets (e.g., gifts of stock in closely held C-corporations, S-corporations,

partnerships, and limited liability interests) to a donor advised fund. When the aggregation of assets held by a donor advised fund, together with the holdings of disqualified persons (Donor, donor advisors, members of their families and businesses they control, and any other related parties) exceeds any of the following, the Foundation will divest excess holdings of the donor advised fund within five years of receipt of the interest.

1. 20% of the voting stock of an incorporated business;
2. 20% of the profit interests of a partnership, joint venture, or the beneficial interest in a trust or similar entity; or
3. 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.

## V. Deferred Gift and Planned Giving

Gifts whose benefit does not fully accrue to the Foundation until some future time, or when benefits are split with non-charitable beneficiaries are considered deferred gifts. 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. In cases where the gifts are complex, the President or the Committee may request review by the Foundation's independent financial advisors or consultants.

### Bequests

The Foundation accepts bequests from donors who have directed in their wills that certain assets be transferred to the Foundation, honors the wishes of the Donor as expressed, but reserves the right of refusal as necessary and appropriate. Sample bequest language for restricted and unrestricted gifts is available from the Foundation, to donors and/or their advisors, upon request. The Foundation may not be named as Executor for a Donor in any will and will not serve, if named. If there is no stipulation for anonymity, the Foundation may create a named fund in memory of the Donor.

### Retirement Plans or IRA Accounts

Donors may make lifetime gifts of retirement assets or name the Foundation as the beneficiary of the plan. Retirement plans include, but are not limited to, Individual Retirement Accounts (IRA), 401(k), 403(b), and defined contribution plans.

### Life Income Gifts

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

#### 1. Charitable Remainder Trusts (CRT)

This trust makes payments to one or more beneficiaries for their lifetimes, or for a fixed term, or a combination of both. Assets are put into a trust, beneficiaries are paid, and when the trust term ends, the remainder in the trust passes to the Foundation 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 by 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 the Donor's advisors to assist in

establishing the trust from which it will ultimately benefit. The Foundation will not serve as Trustee of the trust.

## 2. Charitable Lead Trust (CLT)

This trust first makes 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 or named advisor(s) to create the trust but will not serve as Trustee.

## 3. Life Lease

A donor may wish to contribute a personal residence or farm to the Foundation and retain the right to use (lease) the property until they are no longer able to live there independently, they enter a nursing home (or similar facility) with no plans or intention to return to the home, or death. Upon these conditions being met, the Foundation owns the entire interest in the property.

## VI. Life Insurance Policies

The Foundation may accept gifts of unencumbered life insurance policies as long as the Foundation is named as owner or is assigned ownership in such policies and is named as the primary beneficiary. Policies continuing on a premium-paying basis will be maintained as such by the Foundation so long as the Donor makes gifts to the Foundation in the amount of the premiums due, or the policy value can be used to make future premium payments. Should such premium gifts not be forthcoming, the Foundation may, on the recommendation of the Committee, elect:

1. To have the Foundation continue the premium payments;
2. Surrender the policy in exchange for its cash surrender value; or
3. Invoke procedures under which the existing policy values can sustain the policy without further outlay of Foundation funds for premium. This can take on any of the following forms:
  - a) Change the dividends to net (have the dividends pay future premiums);
  - b) Use the automatic premium loan feature (borrow against the cash value to pay future premiums);
  - c) Use a combination of the two previous options (have the dividends pay as much of the premium as possible and borrow against the cash value for the remainder amount); or
  - d) Change the policy to paid-up in which case, no more premiums will be due.

The Foundation will consider the contributions of life insurance policies subject to policy loans or those carrying assignments to other entities. The Foundation will consider its own interest and the best interest of the Donor in light of tax ramifications and determine on a case-by-case basis the advisability of accepting contributions of encumbered life insurance policies. The necessary due diligence will be conducted to avoid self-dealing, jeopardy investments, and unrelated business income.

## VII. Real Estate / Real Property

The Foundation, through a supporting organization, may accept gifts of real estate for current or deferred purposes, subject to the Foundations' current Articles and Bylaws. (See – *Guidelines for Acceptance of Real Property Gifts*)

## VIII. Tangible Personal Property

The Foundation may accept gifts of tangible personal property (i.e., artwork, coin collections, jewelry) only if (a) the Foundation determines that the property will be used in the furtherance of its exempt purposes or (b) the Foundation will be able to sell the property. If the property is to be sold, the Foundation will accept the gift only if it has sufficient value to justify the costs or resources required for such sale. The Foundation may accept gifts of tangible personal property in any amount, to any existing fund. Gifts of tangible personal property intended to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

### **Appraisal**

Each gift of tangible personal 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.

### **Procedures for Accepting Tangible Personal Property:**

The following procedures apply to all gifts of tangible personal property:

1. The Foundation will review all prior appraisals and authentication documents, if any, related to the property.
2. If the property is to be sold, 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.
3. All costs incurred by the Foundation in connection with the holding and sale of the property shall be charged against the sales proceeds, with the balance being credited to the fund to which the property has been contributed.

## **IX. Intangible Personal Property**

The Foundation may accept gifts of royalties or distribution rights on published works (such as books or films) where there is clear evidence of marketability or assurance of an income stream. A qualified appraisal is required and paid for by the donor.

## **X. Accounts Receivable**

The Foundation will consider gifts of loans, notes, and mortgages, subject to review by the Gift Acceptance Committee.

### ***For more information, contact:***

Clark County Community Foundation, Inc.  
301 N. Main St.  
PO Box 116  
Loyal WI 54446-0116

Phone: 715.937.6167  
Email: [Information@clarkccf.org](mailto:Information@clarkccf.org)

## Exhibit B

### Public Fundraising for Funds of the Clark County Community Foundation Inc.

The Clark County Community Foundation Inc. (hereinafter "Foundation") is staffed to develop endowment and other funds through the acquisition of major and planned gifts and to cultivate new and existing relationships with donors. The Foundation is not equipped to operate public fundraising events for its funds. In general, the Foundation will administer a public fundraising event in association with a fund only under extenuating circumstances.

Public fundraising events refer to those special events that are intended to raise dollars for funds. For example, a golf outing, fundraising dinner, raffle, or other special event would be considered a public fundraising event. The term is not intended to encompass the annual giving to funds through the Foundation's year-end letter and other solicitations for purely charitable purposes.

#### I. Foundation Approval of Events

In the event the Foundation approves a fundraising event, the guidelines listed below must be adhered to. These guidelines encompass the legal and other requirements the Foundation is subject to and, therefore, must be abided by.

Before undertaking public fundraising events, the fundraising event coordinator will define to the Foundation each program, event, or other effort to raise money for the fund. The fundraising event coordinator will then obtain Foundation approval to proceed according to Foundation guidelines. All uses of the Foundation's name in advertising and promotion must be approved in advance by the Clark County Community Foundation's Development Committee.

#### II. Responsibilities of the Foundation

The Foundation is held accountable for all public fundraising events related to funds of the Foundation. It cannot delegate this responsibility to any other parties. In considering whether to approve the event, staff should take into account the following responsibilities:

- 1. Budget and financial reporting**
  - a. Who will prepare a budget?
  - b. Who will be responsible for authorization for and payment of expenses?
  - c. Who will oversee the budget and ensure that the budget is adhered to?
  - d. Will the Foundation assess a special administrative fee for this service?
  - e. Who will prepare full income and expense reports for the Foundation's regulatory reporting requirements?
- 2. Compliance with laws**
  - a. Is the event included under the scope of the State of Wisconsin annual solicitation license?
  - b. Is there a need for a special raffle or gambling license?
  - c. Are the appropriate sales taxes being collected on items sold and who will file the sales tax return?
  - d. Is there a clear understanding that the expenses of fundraising events are not exempt from sales tax?

**3. Liability covering the Foundation**

- a. Is there a need for additional general liability or other insurance due to the event?
- b. Should a letter of credit or a written personal guarantee be provided?

**4. Acknowledgements**

- a. If the contributors receive goods or services in return for their payment, who will determine the appropriate value of such goods or services, and the charitable portion of the payment, in order to report the correct tax acknowledgements documents?
- b. Who will prepare the acknowledgement documents?

**5. Management of money and property received from the event**

- a. Will all checks be made payable to the fund at the Foundation?
- b. Where should checks and other forms of payment be sent?
- c. If someone else is collecting cash, what safeguards will be in place?

**6. Application of income and principal to charitable uses**

- a. Can the fund be administered in the manner in which it is advertised?

**III. Right to Refuse Gifts**

The Foundation reserves the right to refuse any gift that it believes is not in the best interests of the Foundation.

***For more information, contact:***

Clark County Community Foundation, Inc.  
301 N. Main St.  
PO Box 116  
Loyal WI 54446-0116

Phone: 715.937.6167

Email: [Information@clarkccf.org](mailto:Information@clarkccf.org)

## Exhibit C

### Clark County Community Foundation Inc. Types of Funds and Minimums

The Clark County Community Foundation, Inc. (hereinafter “Foundation”) currently administers various charitable funds. Each of these funds is a reflection of the wishes and intent of their founding donor(s) and every fund benefit from the economies of scale achieved when charitable assets are pooled for administrative and investment purposes. Each individual fund can be broadly defined as ‘Unrestricted’ or ‘Restricted’. Donors may decide which Funds to support. They can choose based on personal preference and charitable interests.

All fund types may be established anonymously if so desired.

#### I. Without Donor Restriction Funds

Unrestricted funds are the most flexible type of funds and used to meet the immediate and changing needs of our community. The Foundation accepts donations to general, unrestricted funds, of any dollar amount.

##### **1. Clark County Community Fund (Unrestricted – Board Designated)**

Gifts to this fund allows the Foundation to help Clark County Wisconsin in support of the ever-changing needs, broadly defined of agriculture, cultural and historic, education, youth, seniors, and community development, and are awarded at the discretion of the Grant Allocations Committee and the Board of Directors (“Board”). The Grant Allocations Committee recommends who the grant beneficiaries are, using a periodic grant application process, that is open to all eligible charitable organizations serving Clark County Wisconsin. Grantees receive their awards in the name of the Foundation and Fund.

##### **2. Clark County Community Scholarship Fund (Unrestricted – Board Designated)**

The Scholarship Selection Committee of the Foundation recommends who the scholarship beneficiaries are, using a periodic scholarship selection process open to eligible applicants. These scholarships provide financial support to eligible applicants attending a school, technical college, college, or university and pursuing an education beyond high school. These scholarships are awarded at the discretion of the Scholarship Selection Committee and the Board. Recipients receive their scholarships in the name of the Foundation and Fund.

##### **3. Scholarship Funds - (Unrestricted – Board Designated)**

These funds provide financial support to eligible applicants attending a school, technical college, college, or university and pursuing an education beyond high school. These scholarships are awarded at the discretion of the Scholarship Selection Committee and the Board. Recipients receive their scholarships in the name of the Foundation and the Donor(s). These funds are not endowed.

##### **4. Field of Interest Funds – (Unrestricted – Board Designated)**

These funds support a charitable purpose of a specific donor field of interest, such as agriculture, cultural and historic, education, youth, seniors, or community development. Distributions to eligible area nonprofit organizations are determined by the Foundation’s Grant Allocations Committee; consistent with the Fund’s purposes. Grantees receive their awards in the name of the Foundation and Fund. These funds are not endowed.

#### II. With Donor Restrictions Funds

Restricted Funds are those where the donor establishes a “restriction” as to who can receive the grants or scholarships at the time the fund is created. The Foundation must honor these Donor

restrictions as the Fund is administered, subject to the Foundation's right to exercise its variance of power. Several types of restricted funds are listed below. Restricted Funds may be named in honor of, or in memory of people or organizations, at the discretion of the initial Donor(s).

### **1. Endowed - Field of Interest Fund**

These endowed funds support a charitable purpose as designated by the fund's Donor or Donors, such as agriculture, cultural and historic, education, youth, seniors, community development and support, and so forth. Distributions are determined by the Grant Allocation Committee consistent with the Fund's purposes. These grants are available to eligible area charitable organizations through the periodic grant application process. Grantees receive their awards in the name of the Fund and/or the founding Donor(s). The minimum required to establish an endowed Field of Interest Fund is \$10,000.

### **2. Designated Fund**

These endowed funds support a charitable organization(s) designated by the fund's donor(s) in order to provide perpetual financial support of those organization's activities and mission. Donors can name up to three charitable organizations (per fund) as the permanent beneficiaries who will receive such distributions in accordance with the Donor's stipulations and the Foundation's Spending Policy, named beneficiaries will receive periodic grant distributions in the name of the Designated Fund and the Foundation. The minimum amount required to establish a Designated Fund is \$10,000.

### **3. Endowed - Scholarship Fund**

These endowed funds provide financial assistance to students at schools, colleges, and universities. Scholarships can also support vocational training and assistance in paying for special courses. Donors may recommend eligibility criteria (i.e., designated school, career, grade point, financial need, etc.) or not, as the donor wishes, and may choose to name the scholarship in honor of, or in memory of people or organizations. Donors have the option to serve on the scholarship selection committee for their Fund. The minimum amount required to establish an endowed Scholarship Fund is \$10,000.

### **4. Agency Fund**

These endowed funds are created by charitable organizations who designate themselves as the Fund's beneficiary. In accordance with the Agency Fund agreement and the Foundation's spending policy, these charitable organizations (Donors) will receive periodic grant distributions from their agency fund and the Foundation. The minimum required to establish an endowed Agency Fund is \$10,000.

### **5. Donor Advised Fund**

This is the most flexible type of restricted fund available to a Donor through the Foundation. A Donor Advised Fund may be endowed (grants generated by the interest and earnings made on the principal gift) or pass-through (grants generated by the principal itself and spent down to zero). Donors that prefer to be involved in their giving and support changing charitable organizations and areas of interest, will benefit from establishing a donor advised fund. Up to 25% of the grants from this type of fund can support charities outside of the Clark County Wisconsin area, if the donor desires.

By definition the donors who establish these funds, are advisors to the Foundation and are entitled to make recommendations, regarding which organizations will receive periodic grants from their Donor Advised Fund. Grant distributions are forwarded to the recommended grant recipients, in the name of the Donor(s). The advisory role can be passed on to second generation or designees of the founding Donor. The minimum for establishing an endowed Donor Advised Fund is \$10,000. There is no minimum for a pass-through donor advised fund.

### III. Stepping Stone Funds

All of the fund types listed above, as endowed, may be built over time through the foundation's Stepping Stone program. This program allows donors to build a fund over time through contributions and investment earnings. The minimum to establish a Stepping Stone Fund of any type is \$1,000. The amount is then invested (in your specific fund's name) in a mutual fund where it will grow through interest and earnings as well as additional contributions until such time as it matures into a grant-making fund of at least \$10,000.00

### IV. Fiscal Sponsorship Fund

This non-endowed fund is for a particular short-term project to which all gifts will be expended in support of a charitable purpose. Pass-Through Funds do not exist in perpetuity.

Generally, costs associated with the acceptance of a gift such as the Donor's attorney fees, accounting fees, other professional fees as well as other costs to establish a gift such as appraisal, escrow, evaluation, and environmental assessment fees will be borne by the Donor.

The direct costs of administering gifts to the Foundation are generally paid out of the assets of the individual funds, except for those special circumstances as determined by the Committee. Custodial, investment, administrative and service fees will be paid from the respective Funds in accordance with the Foundation's guidelines and service fee schedules. Fees are outlined in

Fees are outlined in Exhibit D – “*Service Fee Schedule*”.

### V. Special Fund Requests:

The Foundation will consider special requests for accepting funds below the fund minimums subject to review of the Gift Acceptance Committee and approval of the Board of Directors. This is generally the case with fiscal sponsorship funds, memorial funds or funds established in conjunction with a bequest.

The direct costs of administering special fund gifts to the Foundation are generally paid out of the assets of the individual funds, except for those special circumstances as determined by the Committee. Custodial, investment, administrative and service fees will be paid from the respective Funds in accordance with the Foundation's guidelines and service fee schedules.

Fees are outlined in Exhibit D – “*Service Fee Schedule*”.

#### For more information contact:

Clark County Community Foundation, Inc.  
301 N. St.  
PO Box 116  
Loyal WI 54446-0116

Ph: 715-937-6167

Email: [information@clarkccf.org](mailto:information@clarkccf.org)

## Exhibit D

### Clark County Community Foundation Inc.

### Service Fee Schedule

There are two types of charges for funds held with Clark County Community Foundation, Inc. (hereinafter "Foundation"). One charge is an Investment Advisor/Manager Fee, and the other charge is the Foundation Service Fee. The Investment Manager Fee is set by the various Investment Advisors/Managers and will vary from year to year and is charged directly to the invested assets on a monthly basis.

The Foundation Service Fee is charged per the "*Service Fee Schedule*" below. These Service Fees are collectively used by the Foundation to support its operating budget, along with the administrative costs associated with any operating endowment funds that may have been established.

In addition, any Foundation Service Fees, any other direct costs (such as appraisal fees, legal fees, probate costs and unusual administrative costs) that are attributable to the activities of any specific fund will be charged directly to that fund; with fund Donors being given prior notification of said charges.

The following fees will apply until revised by the Board of Directors - **Effective 10-1-2020**

<b>Fund Types</b>	<b>Annual CCCF Service Fee</b>
<b>Without Donor Restriction Type Funds</b>	
(Unrestricted) Community Funds	0.50%
(Unrestricted) Community Scholarship Funds	0.50%
(Unrestricted - Board Designated) Scholarship Funds (not endowed)-	0.50%
(Unrestricted - Board Designated) Field of Interest Funds (not endowed)	0.50%
<b>With Donor Restriction Type Funds</b>	
(Restricted) Field of Interest Endowment Funds	1.0%
(Restricted) Designated Endowment Funds	1.0%
(Restricted) Scholarship Endowment Funds	1.0%
(Restricted) Agency Endowments	0.50%
(Restricted) Donor Advised Funds	1.0%
(Restricted) Other Endowed Funds	1.0%
(Restricted) Stepping Stone Fund [\$1,000 min balance to open]	Waived up to \$10,000 FMV

#### **Non-Endowment / Spend-Down / Temporary Accounts:**

Administration of "spend-down funds" is a valuable service to the community; although, in most cases, this service does not advance the Foundation's primary mission of building permanent endowments to benefit the area. A spend-down fund may demand the same, or more, investment of time and effort to administer, as an endowed fund. Therefore, spend-down funds may be assessed a higher fee.

#### **Fiscal Sponsorship Funds**

Service fee of at least 2.0% and not to exceed 5.0% of gross donations received.

Interest income will generally remain with the Fund, with the Foundation keeping none of the Fund earnings.  
(Short-term fund that is generally established to support community project)

#### **Non-Endowment Funds and Pass-Through Gifts**

1.0% fee or earnings, greater of the two, not to exceed 5.0%

(Generally, includes non-endowed donor advised funds and "pass through" gifts)



***For more information, contact:***

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