

GIFT ACCEPTANCE POLICY

PURPOSE

The purpose of this policy is to serve the best interests of Tahoe Truckee Community Foundation (TTCF) and its donors by providing guidelines for negotiating and accepting various types of gifts for various types of funds. Given the increasing complexity of IRS regulations, TTCF recognizes the value in carefully screening proposed gifts. The purposes of the gift must fall within the broad charitable purpose of the Community Foundation. In addition, Foundation Board and staff must be able to ensure that gifts accepted by TTCF do not place other assets of the Foundation at risk, and that they can be easily converted into assets that fall within the Foundation's investment guidelines. The Foundation must also ensure that it can administer the terms of the gift in accordance with the donor's wishes.

FOUNDATION RESPONSIBILITIES

The Board of Directors is responsible for policy-making and oversight of the Foundation's operations. TTCF bylaws give the Board of Directors the power to modify fund restrictions and conditions. This variance power states that the Board of Directors can modify any restriction or condition on the distribution of funds for any specified charitable purpose or to specified organizations, if in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the North Lake Tahoe community.

TTCF staff should 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. Donors are encouraged to consult with legal counsel and financial advisors in making their decision. In particular, donors should be made aware of:

- the irrevocability of a gift,
- prohibitions on donor restrictions,
- items subject to variability (market value, investment return, and income yield), and
- the Foundation's responsibility to provide periodic financial statements on donor funds.

The role of Foundation staff is 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.

GIFT ACCEPTANCE COMMITTEE AND PROCEDURE FOR REVIEW

Gift Acceptance Committee: The President, Controller and two members of TTCF Board of Directors, at least one of whom is a member of the Executive committee, constitute the Gift Acceptance Committee, hereafter known as the "Committee."

Procedure for Review: Upon the determination of the President and Controller that a potential gift requires approval by the Gift Acceptance Committee, the terms of the gift will be presented to the Committee for review. Presentation to the Committee will take the form determined most useful by staff, e.g. telephone call, FAX, e-mail or written communication to all available Committee members depending upon the complexity of the gift and the issues involved. A decision will be made at this level or when necessary, advice will be sought from legal counsel or other professionals or the matter will be addressed by the Board of Directors. Approval by a quorum (three members) of the Gift Acceptance Committee is required in order for a gift to be accepted. Decisions of the Gift Acceptance Committee must be documented. The donor will be kept apprised as to the timeline and process for determining acceptance.

FORMS OF GIFTS TO THE FOUNDATION

Guidelines on Assets Used to Make Gifts

Gifts to the Foundation take on a variety of forms. Many are outright gifts by living donors, either on a one-time or periodic basis. Others are testamentary gifts that take effect upon a donor's death or other forms of deferred gifts. It is the policy of the Foundation to convert all gifts to cash as soon as possible.

Gifts Not Requiring Committee Review

- Cash or cash equivalents
- Publicly-Traded Securities and Bonds
- Gifts of personal property for use in Foundation offices or programs
- Life insurance policies *-except as noted below.*
- Gifts of cash from public or donor initiated fundraising See Appendix C - *"Policies and Guidelines for Promoting Funds "*
- Planned gifts
 - Bequests – in accordance with Appendix A and B guidelines
 - Retirement Plan Assets
 - Life Insurance
 - Charitable Remainder Trusts
 - Charitable Gift Annuities

Gifts Requiring Committee Review

- Closely-held C corporation and S corporation stock
- Partnership interests
- Life insurance policies requiring future premium payments by the Foundation
- Real Estate/Real property
- Tangible personal property that is not readily marketable
- Intangible property: Gifts of intellectual property
- Accounts receivable (gifts of loans, notes, mortgages, etc.)
- Gifts whose structure fall outside the ordinary purposes, bylaws, and procedures of the Foundation

GIFTS DECLINED

The Foundation reserves the right to refuse any gift it believes is not in the best interests of the Foundation. In addition, the Foundation will not knowingly accept a charitable gift from a donor who:

- A. Has insufficient income and assets remaining after making a gift to provide for his/her needs such as personal support and healthcare.

- B. Has insufficient income and assets remaining after the gift to provide for his/her heirs for whom he/she is fiscally responsible.
- C. Has an apparent insufficient mental capacity to make a rational decision.
- D. Has insufficient input from competent financial, legal, and/or personal counsel.

RESTRICTIONS ON GIFTS

In conformance with Treasury Department regulations governing community foundations, 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, in furtherance of its exempt purposes.

ACTING AS TRUSTEE

No employee shall serve as a trustee, conservator, executor, or personal representative for one of the Foundation's donors or prospects unless specifically approved by the Foundation President. The Board of Directors will be made aware of such trusteeships.

INVESTMENT OF GIFTS

It is the policy of the Foundation to convert all gifts to cash as soon as possible. TTCF reserves the right to make any or all investment decisions regarding gifts in accordance with its Investment Policy. In making a gift to the Foundation, donors give up all rights, title, and interest to the assets contributed. In particular, donors give up the right to choose investments and investment managers, brokers, or to veto investment choices for their gifts.

However, when the size of a fund warrants separate investment consideration (typically over \$3 million), the Foundation will endeavor to accommodate requests from donors for separate investment of fund assets, or use of a particular investment manager, broker or agent in accordance with TTCF's Investment Policy, and may consult with donors on investment options for such funds.

COSTS OF ACCEPTING AND ADMINISTERING GIFTS

Generally, costs associated with the acceptance of a gift such as 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 outright and planned gifts of the Foundation will be borne from the assets of the individual funds, except for those special circumstances as determined by the Gift Acceptance Committee. Custodial, investment, and administrative fees will be paid from the respective funds in accordance with the Foundation's guidelines and fee schedules.

AUTHORITY TO NEGOTIATE

The Foundation management and administrative officers authorized to accept letters of transmittal and amendments thereto and to negotiate and sign charitable giving agreements with prospective donors are:

- President, or in absence of the President,
- Chair of the Board of Directors

Appendix A

Forms of Gifts to the Foundation Guidelines on Assets Used to Make Gifts

Gifts to the Foundation take on a variety of forms. Many are outright gifts by living donors, either on a one-time or periodic basis. Others are testamentary gifts that take effect upon a donor's death or other forms of 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 sold within two years of receipt at a price other than the appraised value, Form 8282 must be filed by the Foundation.

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 possible.

Cash

The Foundation accepts cash, checks, or money orders made payable to Tahoe Truckee Community Foundation. Donations via credit cards are also accepted.

Guidelines for non-exempt organizations accepting charitable gifts of cash on behalf of component funds:

All checks must be made payable to TTCF. The name of the fund should be written on the memo line of the check or on the remittance envelope. Checks issued to an organization other than TTCF cannot be accepted and will be returned with a letter to the sender.

TTCF must approve, in advance of printing or production, all written or spoken materials (including letterhead, brochures, remittance envelopes, website content and radio or television announcements) related to solicitations to promote a Fund.

If the organization provides a remittance form or envelope the following disclosure information must be included:

- a. The "Name" Fund is a component fund of Tahoe Truckee Community Foundation.
- b. All gifts to TTCF are irrevocable.
- c. TTCF reports the list of donors to the organization unless the donor specifically requests otherwise.
- d. TTCF mailing address and telephone number.
- e. No goods or services were received in exchange for this contribution.

TTCF will supply a list of donors with contact information to the organization upon request. This list can be provided as hard copy or an electronic excel file.

Cash from donor-initiated fundraising

Donor-initiated fundraising events refer to those public fundraising events conducted by an individual or a non-exempt organization that are intended to raise dollars for TTCF component Funds. For example, a golf outing, fundraising dinner, auction, 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.

The 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 donor-initiated or public fundraising events for its component funds that rely upon the use of the Foundation's tax-exempt status in order to offer contributors a charitable tax deduction for their participation. The Foundation is held accountable for meeting all federal, state and local legal requirements for charitable solicitations related to Funds of the Foundation. It cannot delegate this responsibility to any other parties. In general, the Foundation will administer a donor-initiated fundraising event in association with a Fund only under extenuating circumstances with prior approval of the Foundation's Gift Acceptance Committee.

Publicly-Traded Securities and Bonds

TTCF will accept gifts of publicly traded securities and bonds for current or deferred gifts. Bonds not routinely reported in financial journals will be valued by a bond specialist. E savings bonds will not be accepted as an outright gift because they are by nature not assignable; however such bonds are acceptable as part of an estate gift. Stock subject to Section 144 restrictions, buy-sell agreements, or other restrictions on sale may be accepted subject to the approval of the Gift Acceptance Committee.

Such securities and bonds will be valued at fair market value as determined under IRS rules. Securities for which there is a recognized market are generally valued at the arithmetic mean of the highest and lowest selling prices for that stock or bond in its principal sales market on the date of the gift. The value of a share in a mutual fund is its public redemption price (the "bid price") in effect at the time of the gift.

The date of the gift is the date the security is:

- a) unconditionally delivered or mailed in proper negotiable form to the Community Foundation or its agent;
- b) the date the security is transferred and held on the books of a brokerage firm; or
- c) the date the security is transferred on the books of the issuing corporation when delivered to the corporation for transfer in the Community Foundation's name. When gifts are transferred directly to one of the Foundation's existing accounts, notification should be sent by the donor so that the Foundation can expeditiously receipt and acknowledge the gift.

Other Business Interests

Gifts of stock in closely-held C corporations, S corporations and limited partnership 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. All such gifts must be valued by a qualified appraiser. The qualified appraiser cannot be the donor, taxpayer, or an agent of these. The cost of an appraisal shall be paid by the donor. TTCF 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, TTCF generally will not join in or participate in the issuance of warranties, representations, indemnification agreements, or covenants not to compete.

TTCF will charge the resulting 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 enough in the fund to pay these costs. Otherwise the donor must agree to contribute additional cash to the fund to pay such costs.

Limitation on accepting gifts of assets to donor advised funds

There are limitations on the ability of a Donor Advised Fund to hold ongoing interests in business enterprises that may affect the management of them as fund investments. Generally a donor advised fund's voting or profit interests in a business enterprise – when combined with such interests of the donor or person related to the donor – may not exceed 20%. Further the duration that the Foundation may hold such assets in a Donor Advised Fund may be limited by law. Any donation of business a business interest into a Donor Advised Fund will be referred to TTCF's legal counsel for an opinion on the possible application of Code section 4943.

Life Insurance Policies

The Foundation will accept gifts of permanent life insurance policies if the Foundation is named as owner of or is assigned ownership in such policies. Policies continuing on a premium-paying basis will be maintained as such by the Foundation so long as gifts are made to the Foundation in the amount of the premiums due. Premiums can be of a reducing amount if dividends are directed toward future premiums. Should such premium gifts not be forthcoming, the Foundation may, on the recommendation of the Gift Acceptance Committee, elect:

- To have the Foundation continue the premium payments.
- To surrender the policy in exchange for its cash surrender value.
- To 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:
 - Change the dividends to Net (Have the dividends pay future premiums)
 - Use the Automatic Premium Loan feature (Borrow against the cash value to pay future premiums)
 - 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)
 - Change the policy to Paid-Up in which case, no more premiums will be due

TTCF discourages contributions of life insurance policies subject to policy loans and reserves the right to accept or reject such policies as well as those carrying assignments to other entities. The Foundation will consider its own interest and the best interest of the donor in the light of tax ramifications in determining on a case-by-case basis the acceptability of encumbered life insurance policies. Particular care will be given to problems of self-dealing, jeopardy investments, and unrelated business income in this regard.

Real Estate/Real Property

TTCF will accept gifts of real estate for current or deferred gifts subject to the approval of the Gift Acceptance Committee.

TTCF's general policy regarding gifts of real estate:

- a) The property must have significant value in relation to the costs of holding and selling the property and any liability or exposure in connection with ownership of the property.
- b) The property must be marketable within a six-month or other reasonable time period.
- c) TTCF will evaluate the cost of holding and/or improving the property against the cost of liquidating the property immediately.
- d) TTCF will not accept debt encumbered property, unless special circumstances so warrant.
- f) TTCF will not accept property located outside the U.S., unless special circumstances so warrant.
- g) Gifts of real estate may be made on a testamentary basis, subject to a retained life estate or to fund a charitable remainder trust, provided that such gifts comply with this policy.
- h) TTCF reserves the right to refuse any gift of real estate.
- i) TTCF will charge the eventual fund its costs associated with accepting real estate (e.g. attorney fees).

Tangible Personal Property

The donor is responsible for obtaining and paying for a qualified appraisal. TTCF will evaluate proposed gifts of personal property on a case by case basis with specific consideration of tax implications such as related use, etc.

Intangible Personal Property

TTCF 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.

Accounts Receivable

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

Appendix B

Guidelines for Acceptance of Planned Gifts

A. Bequest: Bequests may be made by will or by revocable trust. TTCF may accept a bequest of real estate on a testamentary basis, provided that the guidelines described in Appendix A are met. TTCF prefers to obtain a copy of document naming the Foundation as a beneficiary for files.

B. Retirement Plan Assets: TTCF may accept account type retirement plans, in which a balance accumulates as principal, such as IRAs, 401(k), 403(b), and defined contribution plans. However, TTCF cannot accept annuity plans, such as defined benefit plans, in which retirement benefits are paid out as income and principal does not accumulate. Methods for gifting retirement plan assets include: (1) naming TTCF as primary, successor or contingent beneficiary for all or part of the assets upon death of either the retirement asset owner or spouse; and (2) creating a testamentary CRT upon the death of the asset owner, naming TTCF as remainder beneficiary and non-charitable heirs as income beneficiaries (please see guidelines regarding CRTs). TTCF prefers to obtain a copy of document naming the Foundation as a beneficiary for files.

C. Life Insurance: TTCF can be designated as a primary or successor beneficiary of a life insurance policy owned by the donor. In addition, TTCF may accept outright gifts of life insurance policies on which premiums remain due, subject to review by the Gift Acceptance Committee. *See Appendix A for more details.*

D. Charitable Remainder Trusts:

Charitable Remainder Unitrust – A charitable remainder unitrust is a gift vehicle that irrevocably transfers the remainder interest on assets to the Foundation upon the death of the donor or the named beneficiaries, or at the end of a specified term or years. The donor has the option to name him or herself and /or others as income recipients. Payments can be made concurrently or consecutively. This form of trust may be created for the lifetime of the beneficiaries or for a maximum term of 20 years.

A straight unitrust must pay a fixed percentage of the net fair market value of its assets, valued annually to the designated beneficiaries. An income only unitrust will distribute the actual amount of income earned or the established percentage payout rate, whichever is less. An income only unitrust with make up provision uses excess income from the trust to pay the beneficiaries income lost during the years when earnings are insufficient.

The donor receives a tax deduction for the charitable remainder interest in the year the trust is established. There is no capital gains tax due on appreciated securities contributed to the unitrust.

Charitable Remainder Annuity Trust – Similar to the Charitable Remainder Unitrust, a Charitable Remainder Annuity Trust is an income vehicle which irrevocably transfers remainder interest to the Foundation upon the death of the income beneficiaries.

The annuity trust pays a fixed dollar amount annually to the income beneficiaries. The amount is specified in the trust document as either a dollar amount or a percentage of the initial fair market value of the assets used to fund the trust. This amount must be at least 5% of the initial value. Once the annual amount is set it may not vary over the life of the trust. The amount payable to the beneficiaries has no relation to the income earned in the trust.

The donor's charitable deduction is based on the value of the remainder interest at the time the trust is created. There are limitations to the deduction if the annuity trust is funded with long-term securities. The remainder interest is calculated according to Treasury tables.

Limitations and trustees-

The minimum gift amount to establish a trust is \$100,000. Additions to charitable remainder unitrusts must be at least \$10,000. No additions to charitable annuity trusts may be made after the initial contributions to establish the trust.

- Gifts of real estate will be considered only in relation to funding a net income unitrust or a net income with makeup unitrust or a FLIP unitrust, unless special circumstances warrant consideration for purposes of another type of charitable remainder trust.
- Gifts of partnership interests, limited liability company interests, or S corporation stock will generally not be acceptable assets to fund a charitable remainder trust, because of the likelihood that the trust would be subject to unrelated business income.
- TTCF must be named as irrevocable beneficiary.
- The remainder interest establishes a charitable fund which will be an endowed fund.

Generally, TTCF does not serve as trustee. As a non-trustee, TTCF prefers to receive a copy of the trust agreement if it or a component fund is named as a beneficiary of the trust. If the beneficiary designation is irrevocable, TTCF will also want to receive periodic accounting statements, as well as the initial determination of the donor's advisor of the charitable deduction value of the gift. This should include birthdates of all permissible income recipients.

Upon a donor's request, the Gift Acceptance Committee will review a request to serve as trustee of charitable remainder trust on a case-by case basis provided that the conditions described above have been met. The following guidelines also apply:

Fees: All trusts pay the prevailing investment management fee: the annual trustee fee is 1.00% of the trust's fair market value is charged. If donor designates one half or more of the trust remainder to TTCF's Unrestricted Fund or Field of Interest Fund the trustee fee is reduced to 0.50%.

Remainder Amount: TTCF reserves the right to decline to serve as trustee on any trust whose payout is too high to create an appropriate charitable remainder.

E. Gifts of Property with Retained Life Estate: A retained life estate is an irrevocable donation of real estate that allows the donor to retain the right to use the property for life, or a specified term of years. The donor can designate himself or herself and/or the lifetime of another resident beneficiary.

The donor receives an immediate deduction based on the appraised fair market value of the real estate less the calculated value of the retained life use.

TTCF will evaluate these gifts on a case-by-case basis. A memorandum of understanding will be required outlining the respective responsibilities of the donor and TTCF relating to expenses, real estate taxes,

maintenance, repairs, and other items. All real estate gifts are subject to due diligence and subject to approval of the Gift Acceptance Committee in accordance with the guidelines outlined in Appendix A.

F. Bargain Sales: TTCF will evaluate these gifts on a case-by-case basis, making certain that the donor and his or her advisor(s) are fully aware of the tax treatment of bargain sales.

G. Gift Annuities: At the present time TTCF does not issue charitable gift annuities. It reserves the right, however, to review or change this policy at a future date.

H. Pooled Income Fund: at the present time TTCF does not have an established pooled income fund. It reserves the right, however, to review of change this policy at a future date.

Appendix C

Policies and Guidelines for Promoting Funds at TTCF

Gifts in the Form of a Check to Funds at the Community Foundation

To ensure donor intent, stewardship of resources and compliance with federal, state and local legal requirements, the following factors are addressed in the policy and procedures:

- It is important for the Foundation to honor the intent of each donor. In situations where we receive a check in our office that is made payable to another organization, it may be difficult or impossible for us to clearly understand the donor's intent.
- In order to provide substantiation to a donor that a gift made by check is eligible for a tax deduction, the check must be made payable to Tahoe Truckee Community Foundation.

Fundraising for Funds at TTCF

Occasionally groups want to increase the visibility of a particular Fund at the Foundation by undertaking some form of marketing, promotion or fundraising to benefit the Fund. This might take the form of, but is not limited to, brochures, posters, information sessions, a request of money through an appeal letter to friends and associates, or events such as golf tournaments, auctions or dinners. TTCF is staffed to raise endowments through acquisition of major and planned gifts. While we are committed to providing technical assistance to grow Fund assets, the Foundation is *not* equipped to operate or assist in public fundraising *events* such as, but not limited to, golf tournaments, auctions or dinners, to raise money for Funds at the Foundation. When groups conduct fundraising activities and solicitations under TTCF's nonprofit status, keep in mind that for tax and liability purposes, such fundraising is being done by TTCF.

Note: The Pension Protection Act of 2006 strictly regulates fundraising for Donor Advised Funds. Please contact TTCF if you wish to raise money for your Donor Advised Fund.

Public Fundraising by Individuals and Non-Exempt Organizations for Funds of the Tahoe Truckee Community Foundation

The Community Foundation appreciates your interest and motivation in raising money for a Fund. Government regulations concerning the oversight of charitable solicitations on behalf of a component fund of TTCF when conducted by a non-exempt individual or organization is entirely the responsibility of TTCF. At this time, we are rarely able to assist event organizers with any kind of public fundraising event that relies upon the use of the Foundation's tax exempt status in order to offer contributors a charitable tax deduction for their participation.

Alternatives for Promoting a Fund

There are ways other than public fundraising events that you may consider to promote a Fund at the Foundation. To help you understand what is permissible and to clarify the role of the Foundation, we provide the following information.

Direct, tax-deductible gifts to the Fund

You may promote a Fund through various forms of "passive" marketing in the name of a Fund through, for example, brochures, posters, information sessions, or a solicitation of money through an appeal letter to friends and associates.

In response to those marketing efforts, a donor may make a direct contribution to the Fund and send it directly to the Foundation. Gifts of cash, checks, credit cards and appreciated assets can be accepted directly by the Foundation. The donor will receive a gift acknowledgement letter from the Foundation substantiating a tax deductible gift. Upon your request, the Community Foundation mails (or emails) a gift report to you or your organization on a weekly or monthly basis so that you may thank the donor for the gift. It is important to follow the Foundation's procedures for accepting gifts in various forms. The complete *Gift Acceptance Policy* is available upon request. Please make sure checks are payable to TTCF with the name of the fund noted in the memo section.

TTCF must approve, in advance of printing or production, all written or spoken materials (including letterhead, brochures, website content and radio and television announcements) related to marketing or solicitations to promote a Fund. All such materials must meet the following requirements:

- All materials must clearly state that the Fund is "a component fund of Tahoe Truckee Community Foundation".
- The Foundation must approve the use and placement of its logo.
- The Community Foundation must approve the placement and use of the foundation's tax id number.
- Please contact TTCF to learn how to obtain approval.
- Please make your request at least four weeks in advance of your publication deadline.

Independent fundraising by an **Exempt Organization**

You may make a gift to the Fund from the proceeds of an event or solicitation that is sponsored by a 501(c)(3) organization.

Organizations with their own federal tax-exempt status may sponsor a fundraising event or solicitation promoting their organization and deposit the net proceeds into a Fund that has been established for the organization's benefit at the Foundation. The organization issues its own acknowledgement letters, and the donors receive a charitable tax deduction for their gifts because the sponsoring organization has its own charitable tax-exempt status. If publicly stating the proceeds will be deposited into a Fund at the Foundation, all printed and spoken material must clearly state that the Fund is "a component fund of Tahoe Truckee Community Foundation."

Independent fundraising by an individual or **Non-Exempt Organization**

You may make a gift to the Fund from the proceeds of an event/solicitation for which donors were not offered a charitable tax deduction.

Fundraising may be conducted by an individual, a group of people, or an organization without the endorsement or involvement of the Foundation. Generally, the person or group that plans and executes the fundraiser (for example: dinners; golf tournaments; walk-a-thons; auctions; sales of products or services; requests for money from individuals or organizations through mailings, advertisements, or oral solicitations) makes one lump sum donation (net of expenses) to the Fund. Unless the event is sponsored by another tax-exempt nonprofit organization which accepts and acknowledges the contributions, the donor may not take a charitable tax deduction for the contribution.

GUIDELINES APPLICABLE TO NON-TAX-DEDUCTIBLE FUNDRAISING by an individual or non-exempt organization

1. The individual or group may not use the Foundation's tax exempt number in connection with the event. Contributions made as a result of an event/solicitation will not qualify as a tax deductible charitable gift to the Foundation.
2. Event organizers are responsible for obtaining and paying for any necessary insurance, permits, licenses, approvals, etc. that may be required by local or state government. Events or activities that include raffles or other games of chance are regulated by state and local governments and must be specifically reviewed and authorized by the appropriate branch of government.
3. Fundraising events often require certificates of insurance or signed contracts. When the events are sponsored independently of the Foundation, the name of the Foundation or the Fund must not appear on any contract or agreement. (Note: Volunteers *may not* sign contracts obligating The Community Foundation.)
4. Individual participants in the event (ticket purchasers, sponsors, golf players, etc.) make their payments to the organizing individual or group, not to TTCF. The organizers may record the contributors' names and addresses and may provide a courtesy acknowledgement. The acknowledgement letter *must not* include any language stating that the letter serves as an official receipt for IRS purposes or include any reference to tax deductibility or to the contribution being made to The Community Foundation or to the Fund.
5. The planning group pays expenses and sends the net proceeds of the fundraiser to the Community Foundation for addition to the Fund. The Foundation records the gift as coming from unnamed third-party donors.

Note on Tax Deductibility

Contributions to a fundraiser are only tax deductible when they are received and acknowledged directly by a qualified nonprofit organization. Depending on the event, tax deductibility may or may not be a motivating reason for donors to participate. We have often found that donors who participate in fundraising events are not doing so to receive a tax deduction. Donors often believe in the purpose of the fundraiser and will make a contribution regardless of the tax benefits to themselves.