



## Gift Acceptance Policy and Guidelines

LaGrange County Community Foundation, a not for profit organization under the laws of the State of Indiana, encourages the solicitation and acceptance of gifts to LaGrange County Community Foundation (hereinafter referred to as the Foundation) for purposes that will help the Foundation to further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to the Foundation or for the benefit of any of its programs:

*The mission of the LaGrange County Community Foundation is to inspire and sustain generosity, leadership and service in our community.*

LCCF accepts gifts to establish the types of funds listed in Appendix C – Management Fee Schedule.

### **I. Purpose of Policies and Guidelines**

The LaGrange County Community Foundation Board of Directors and its staff solicit current and deferred gifts from individuals, corporations and foundations to secure the future growth and missions of the Foundation. It is the purpose of these policies and guidelines to govern the acceptance of gifts by the Foundation and to provide guidance to prospective donors and their advisors when making gifts to the Foundation. The provisions of these policies shall apply to all gifts received by the Foundation for any of its programs or services.

### **II. Use of Legal Counsel**

LaGrange County Community Foundation shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. Review by counsel is recommended for:

- a. Review of closely held stock transfers that are subject to restrictions or buy-sell agreements.
- b. Review of documents naming LaGrange County Community Foundation as Trustee.
- c. Review of all gifts involving contracts, such as bargain sales or other documents requiring the LaGrange County Community Foundation to assume an obligation.
- d. Review of all transactions with potential conflict of interest that make or invoke IRS sanctions.
- e. And such other instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee.

### **III. Conflict of Interest**

All prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Foundation will comply with the "Model Standards of Practice for the Charitable Gift Planner" promulgated by the National Committee on Planned Giving, shown as an appendix to this document.

#### **IV. Restrictions on Gifts**

The Foundation will accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes and priorities. The Foundation will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate the terms of the corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Foundation. All gifts that involve restrictions will be reviewed by the Gift Acceptance Committee and all final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the LCCF Board of Directors.

Gifts made to the foundation for the purpose of establishing a Donor Advised Fund will be reviewed as if it were any other gift made to the foundation.

#### **V. The Gift Acceptance Committee**

The LaGrange County Community Foundation Gift Acceptance Committee shall consist of:

- The LCCF Executive Committee and
- Two members of the LCCF Board of Directors appointed by the LCCF Board President

The gift acceptance committee is charged with the responsibility of reviewing all gifts made to LaGrange County Community Foundation, properly screening and accepting those gifts and making recommendations to the LCCF Board of Directors on gift acceptance issues where appropriate.

#### **VI. Types of Gifts**

A. The following gifts are acceptable:

1. Cash
2. Tangible personal property
3. Securities
4. Real estate
5. Remainder interests in property
6. Oil, gas and mineral interests
7. Bargain sales
8. Life insurance
9. Charitable gift annuities
10. Charitable remainder trusts
11. Charitable lead trusts
12. Retirement plan beneficiary designations
13. Bequests
14. Life insurance beneficiary designations

B. The following criteria govern the acceptance of each gift form:

1. **CASH** - Cash is acceptable in any form. Checks shall be made payable to LaGrange County Community Foundations and shall be delivered to the Foundation office at 109



E. Central Ave., Suite 3, LaGrange, IN. The fund name should be noted on the memo line or check stub.

2. **TANGIBLE PERSONAL PROPERTY** – All other gifts of tangible personal property shall be examined in light of the following criteria:
  - a. Does the property fulfill the mission of the Foundation?
  - b. Is the property marketable?
  - c. Are there any undue restrictions on the use, display or sale of the property?
  - d. Are there any carrying costs for the property?

The final determination on the acceptance of other tangible property gifts shall be made by the LCCF Board of Directors.

3. **SECURITIES** – The Foundation can accept both publicly traded securities and closely held securities.
  - a. **PUBLICLY TRADED SECURITIES** – Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the LCCF Investment Committee. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the board of directors of the Foundation.
  - b. **CLOSELY HELD SECURITIES** – Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interest in LLPs and LLCs or other ownership forms, can be accepted subject to the approval of the LCCF Board of Directors. However, gifts must be reviewed prior to acceptance to determine that:
    1. There are no restrictions on the security that would prevent LaGrange County Community Foundation from ultimately converting those assets to cash.
    2. The security is marketable
    3. The security will not generate any undesirable tax consequences for the Foundation.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The final determination on the acceptance of closely held securities shall be made by the board of directors of the Foundation board of directors and legal counsel, where necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

4. **REAL ESTATE** – Gifts of real estate may include developed property, undeveloped property or gifts subject to a prior life interest. Prior to acceptance of real estate, the Foundation shall require an initial environmental review of the property to insure that the property is not contaminated with environmental damage. Environmental inspection forms are attached as an appendix to this document. In the event the initial inspection reveals a potential problem, the Foundation shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

Where appropriate, a title binder shall be obtained by the Foundation prior to the acceptance of the real property gift. The cost of this binder shall generally be an expense of the donor.

Prior to acceptance of the real property the gift shall be approved by the LCCF Board of Directors and by the Foundation's legal counsel. Criteria for acceptance of the property shall include:

- a. Is the property useful for the purposes of the Foundation?
- b. Is the property marketable?
- c. Are there any restrictions, reservations, easements or other limitations associated with the property?
- d. Are there carrying costs, which may include insurance, property taxes, mortgages or notes, etc. associated with the property?
- e. Does the environmental audit reflect that the property is not damaged?

5. **REMAINDER INTEREST IN PROPERTY** – The Foundation will accept a remainder interest in a personal residence, farm or vacation residence subject to the provisions of paragraph 4 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the donor, the Foundation may use the property or reduce it to cash. Where the Foundation receives a gift of a remainder interest, expenses for maintenance, real estate taxes and any property indebtedness are to be paid by the donor or primary beneficiary.
6. **OIL, GAS AND MINERAL INTERESTS** – The Foundation may accept oil and gas property interests where appropriate. Prior to acceptance of an oil and gas interest the gift shall be approved by the LCCF Board of Directors and, if necessary, by the Foundation's legal counsel. Criteria for acceptance of the property shall include:
  - a. Gifts of surface rights should have a value of \$20,000 or greater.
  - b. Gifts of oil, gas and mineral interest should generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
  - c. The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
  - d. If the interest is a working interest the organization should determine the impact on the Foundation so that it may develop a plan to minimize that impact if accepted.
  - e. The property should undergo an environmental review to ensure that the Foundation has no current or potential exposure to environmental liability.
7. **BARGAIN SALES** – LaGrange County Community Foundation will enter into a bargain sale arrangement in instances in which the bargain sale furthers the mission and purposes of the Foundation. All bargain sales must be reviewed and recommended by the LCCF Gift Acceptance Committee and approved by the LCCF Board of Directors. Factors used in determining the appropriateness of the transaction include:
  - a. The Foundation must obtain an independent appraisal substantiating the value of the property.
  - b. If the Foundation assumes debt with the property, the debt ratio must be less than 50% of the appraised market value.
  - c. The Foundation must determine that it will use the property or that there is a market for sale of the property allowing sales within 12 months of receipt.



- d. The Foundation must calculate the costs to safeguard, insure and expense the property (including property tax, if applicable) during the holding period.
8. **LIFE INSURANCE** – LaGrange County Community Foundation must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value or cash surrender value upon receipt. If the donor contributes future premium payments the Foundation will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the Foundation may:
  - a. Continue to pay the premiums.
  - b. Convert the policy to paid up insurance.
  - c. Surrender the policy for its current cash value.
9. **CHARITABLE GIFT ANNUITIES** – LaGrange County Community Foundation may offer charitable gift annuities. The minimum gift for funding shall be \$10,000. The Foundation board of directors may make exceptions to this minimum. The minimum age for life income beneficiaries of a gift annuity shall be **55**. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries shall be **45**. No more than two life income beneficiaries will be permitted for any gift annuity.
10. **CHARITABLE REMAINDER TRUSTS** – The Foundation may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the LCCF Board of Directors. The Foundation will not accept appointment as Trustee of a charitable remainder trust.
11. **CHARITABLE LEAD TRUSTS** – The Foundation may accept a designation as income beneficiary of a charitable lead trust. The Foundation board of directors will not accept an appointment as Trustee of a charitable lead trust.
12. **RETIREMENT PLAN BENEFICIARY DESIGNATIONS** – Donors and supporters of LaGrange County Community Foundation shall be encouraged to name the Foundation as beneficiary of their retirement plans. Such designations shall not be recorded as gifts to the Foundation until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift become irrevocable.
13. **BEQUESTS** – Donors and supporters of LaGrange County Community Foundation shall be encouraged to make bequests to the Foundation under their wills and trusts. Such bequests shall not be recorded as gifts to the Foundation until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift become irrevocable.
14. **LIFE INSURANCE BENEFICIARY DESIGNATIONS** - Donors and supporters of LaGrange County Community Foundation shall be encouraged to name the Foundation as beneficiary or contingent beneficiary of their life insurance policies. Such bequests shall not be recorded as gifts to the Foundation

until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift become irrevocable.

## VII. Miscellaneous Provisions

- A. Securing appraisals and legal fees for gifts to the Foundation: It shall be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to the Foundation.
- B. Valuation of gifts for development purposes: The Foundation shall record a gift received by the Foundation as its valuation for gift purposes on the date of the gift.
- C. Responsibility for IRS filings upon sale of gift items: The LaGrange County Community Foundation Board of Directors is responsible for filing IRS form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Foundation where the charitable deduction value of the item was \$5,000 or greater. The Foundation must file this form within 125 days of the date of sale or disposition of the asset.
- D. Form 8282 and filing instructions are attached as an appendix to this policy.
- E. Acknowledgement of all gifts made to the Foundation and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the LCCF Board of Directors.
- F. IRS Publication 561, *Determining the Value of Donated Property*, and IRS publication 526, *Charitable Contributions*, are attached to this policy as an appendix.
- G. *Model Standards of Practice for Charitable Gift Planner* from the National Committee on Planned Giving is attached as an appendix to this policy.

## VIII. Changes to Policies

This policy and guidelines have been reviewed and accepted by the LaGrange County Community Foundation Board of Directors. The LaGrange County Community Foundation Board of Directors must approve any changes to or deviations from this policy.

  
Jeff Wible, LCCF Board Chair

Oct 19, 2011  
Date LCCF Board approved



Form **8282**  
(Rev. April 2009)  
Department of the Treasury  
Internal Revenue Service

## Donee Information Return

(Sale, Exchange, or Other Disposition of Donated Property)

OMB No. 1545-0908

▶ See instructions.

Give a Copy to Donor

### Parts To Complete

- If the organization is an **original donee**, complete *Identifying Information*, Part I (lines 1a–1d and, if applicable, lines 2a–2d), and Part III.
- If the organization is a **successor donee**, complete *Identifying Information*, Part I, Part II, and Part III.

### Identifying Information

**Print  
or  
Type**

Name of charitable organization (donee)

Employer identification number

Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)

City or town, state, and ZIP code

### Part I Information on ORIGINAL DONOR and SUCCESSOR DONEE Receiving the Property

**1a** Name of original donor of the property

**1b** Identifying number(s)

**1c** Address (number, street, and room or suite no.) (P.O. box no. if mail is not delivered to the street address)

**1d** City or town, state, and ZIP code

**Note.** Complete lines 2a–2d only if the organization gave this property to another charitable organization (successor donee).

**2a** Name of charitable organization

**2b** Employer identification number

**2c** Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)

**2d** City or town, state, and ZIP code

### Part II Information on PREVIOUS DONEES. Complete this part only if the organization was not the first donee to receive the property. See the instructions before completing lines 3a through 4d.

**3a** Name of original donee

**3b** Employer identification number

**3c** Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)

**3d** City or town, state, and ZIP code

**4a** Name of preceding donee

**4b** Employer identification number

**4c** Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)

**4d** City or town, state, and ZIP code

For Paperwork Reduction Act Notice, see page 4.

Cat. No. 62307Y

Form **8282** (Rev. 4-2009)

**Part III Information on DONATED PROPERTY**

	1. Description of the donated property sold, exchanged, or otherwise disposed of and how the organization used the property. (If you need more space, attach a separate statement.)	2. Did the disposition involve the organization's entire interest in the property?		3. Was the use related to the organization's exempt purpose or function?		4. Information on use of property.  • If you answered "Yes" to question 3 and the property was tangible personal property, describe how the organization's use of the property furthered its exempt purpose or function. Also complete Part IV below.  • If you answered "No" to question 3 and the property was tangible personal property, describe the organization's intended use (if any) at the time of the contribution. Also complete Part IV below, if the intended use at the time of the contribution was related to the organization's exempt purpose or function and it became impossible or infeasible to implement.
		Yes	No	Yes	No	
<b>A</b>						
<b>B</b>						
<b>C</b>						
<b>D</b>						

		Donated Property			
		A	B	C	D
<b>5</b>	Date the organization received the donated property (MM/DD/YY)	/ /	/ /	/ /	/ /
<b>6</b>	Date the original donee received the property (MM/DD/YY)	/ /	/ /	/ /	/ /
<b>7</b>	Date the property was sold, exchanged, or otherwise disposed of (MM/DD/YY)	/ /	/ /	/ /	/ /
<b>8</b>	Amount received upon disposition	\$	\$	\$	\$

**Part IV Certification**

You must sign the certification below if any property described in Part III above is tangible personal property and:

- You answered "Yes" to question 3 above, or
- You answered "No" to question 3 above and the intended use of the property became impossible or infeasible to implement.

Under penalties of perjury and the penalty under section 6720B, I certify that either: (1) the use of the property that meets the above requirements, and is described above in Part III, was substantial and related to the donee organization's exempt purpose or function; or (2) the donee organization intended to use the property for its exempt purpose or function, but the intended use has become impossible or infeasible to implement.

Signature of officer \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Type or print name \_\_\_\_\_



## General Instructions

Section references are to the Internal Revenue Code.

### Purpose of Form

Donee organizations use Form 8282 to report information to the IRS and donors about dispositions of certain charitable deduction property made within 3 years after the donor contributed the property.

### Definitions



For Form 8282 and these instructions, the term "donee" includes all donees, unless specific reference is made to "original" or "successor" donees.

**Original donee.** The first donee to or for which the donor gave the property. The original donee is required to sign Form 8283, Noncash Charitable Contributions, Section B. *Donated Property Over \$5,000 (Except Certain Publicly Traded Securities)*, presented by the donor for charitable deduction property.

**Successor donee.** Any donee of property other than the original donee.

**Charitable deduction property.** Any donated property (other than money and publicly traded securities) if the claimed value exceeds \$5,000 per item or group of similar items donated by the donor to one or more donee organizations. This is the property listed in Section B on Form 8283.

### Who Must File

Original and successor donee organizations must file Form 8282 if they sell, exchange, consume, or otherwise dispose of (with or without consideration) charitable deduction property (or any portion) within 3 years after the date the original donee received the property. See *Charitable deduction property* above.

If the organization sold, exchanged, or otherwise disposed of motor vehicles, airplanes, or boats, see Pub. 526, *Charitable Contributions*.

**Exceptions.** There are two situations where Form 8282 does not have to be filed.

**1. Items valued at \$500 or less.** The organization does not have to file Form 8282 if, at the time the original donee signed Section B of Form 8283, the donor had signed a statement on Form 8283 that the appraised value of the specific item was not more than \$500. If Form 8283 contains more than one item, this exception applies only to those items that are clearly identified as having a value of \$500 or less. However, for purposes of the donor's determination of whether the appraised value of the item exceeds \$500, all shares of nonpublicly traded stock, or items that form a set, are considered one item. For example, a collection of books written by the same

author, components of a stereo system, or six place settings of a pattern of silverware are considered one item.

**2. Items consumed or distributed for charitable purpose.** The organization does not have to file Form 8282 if an item is consumed or distributed, without consideration, in fulfilling your purpose or function as a tax-exempt organization. For example, no reporting is required for medical supplies consumed or distributed by a tax-exempt relief organization in aiding disaster victims.

### When To File

If the organization disposes of charitable deduction property within 3 years of the date the original donee received it and the organization does not meet exception 1 or 2 above, the organization must file Form 8282 within 125 days after the date of disposition.

**Exception.** If the organization did not file because it had no reason to believe the substantiation requirements applied to the donor, but the organization later becomes aware that the substantiation requirements did apply, the organization must file Form 8282 within 60 days after the date it becomes aware it was liable. For example, this exception would apply where Section B of Form 8283 is furnished to a successor donee after the date that donee disposes of the charitable deduction property.

**Missing information.** If Form 8282 is filed by the due date, enter the organization's name, address, and employer identification number (EIN) and complete at least Part III, columns 1, 2, 3, and 4; and Part IV. The organization does not have to complete the remaining items if the information is not available. For example, the organization may not have the information necessary to complete all entries if the donor did not make Section B of Form 8283 available.

### Where To File

Send Form 8282 to the Department of Treasury, Internal Revenue Service Center, Ogden, UT 84201-0027.

### Other Requirements

**Information the organization must give a successor donee.** If the property is transferred to another charitable organization within the 3-year period discussed earlier, the organization must give the successor donee all of the following information.

1. The name, address, and EIN of the organization.
2. A copy of Section B of Form 8283 that the organization received from the donor or a preceding donee. The preceding donee is the one who gave the organization the property.
3. A copy of this Form 8282, within 15 days after the organization files it.

The organization must furnish items 1 and 2 above within 15 days after the latest of the date:

- The organization transferred the property,
- The original donee signed Section B of Form 8283, or
- The organization received a copy of Section B of Form 8283 from the preceding donee if the organization is also a successor donee.

**Information the successor donee must give the organization.** The successor donee organization to whom the organization transferred this property is required to give the organization its name, address, and EIN within 15 days after the later of:

- The date the organization transferred the property, or
- The date the successor donee received a copy of Section B of Form 8283.

**Information the organization must give the donor.** The organization must give a copy of Form 8282 to the original donor of the property.

**Recordkeeping.** The organization must keep a copy of Section B of Form 8283 in its records.

### Penalties

**Failure to file penalty.** The organization may be subject to a penalty if it fails to file this form by the due date, fails to include all of the information required to be shown on the filed form, or includes incorrect information on the filed form. The penalty is generally \$50 per form. For more details, see section 6721 and 6724.

**Fraudulent identification of exempt use property.** A \$10,000 penalty may apply to any person who identifies in Part III tangible personal property the organization sold, exchanged, or otherwise disposed of, as having a use that is related to a purpose or function knowing that such property was not intended for such a use. For more details, see section 6720B.

## Specific Instructions

### Part I

**Line 1a.** Enter the name of the original donor.

**Line 1b.** The donor's identifying number may be either an employer identification number or a social security number, and should be the same number provided on page 2 of Form 8283.

**Line 1c and 1d.** Enter the last known address of the original donor.

**Lines 2a–2d.** Complete these lines if the organization gave the property to another charitable organization successor donee (defined earlier). If the organization is an original donee, skip Part II and go to Part III.



## **Model Standards of Practice for the Charitable Gift Planner**

### **PREAMBLE**

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent. This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and as such often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

### **I. PRIMACY OF PHILANTHROPIC MOTIVATION**

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

### **II. EXPLANATION OF TAX IMPLICATIONS**

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

### **III. FULL DISCLOSURE**

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

### **IV. COMPENSATION**

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finders fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

### **V. COMPETENCE AND PROFESSIONALISM**

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

### **VI. CONSULTATION WITH INDEPENDENT ADVISORS**

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisors of the donor's choice.

### **VII. CONSULTATION WITH CHARITIES**

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor, early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made.

In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

### **VIII. DESCRIPTION AND REPRESENTATION OF GIFT**

The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

### **IX. FULL COMPLIANCE**

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

### **X. PUBLIC TRUST**

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.

Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991.  
Revised April 1999.



### MANAGEMENT FEE SCHEDULE

A minimum opening contribution of \$10,000 is required for all Endowment funds listed below, except the Acorn Fund. The donor/contributing agency signs a fund agreement provided by the Foundation; therefore, no legal fees are charged.

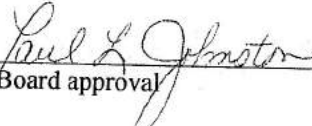
Fund Type	Annual Management Fee	Fund Characteristics
Advised Endowment Fund	2% of average Asset Value Averaged over the prior 12 rolling quarter Fees are taken quarterly	Donor makes recommendations for distributions to nonprofit organizations.
Agency Endowment Fund	2% of Average Asset Value Averaged over the prior 12 rolling quarters Fees are taken quarterly	Funds are managed on behalf of local nonprofit agencies. Income and/or principal on such funds must go directly back to that nonprofit.
Designated Endowment Fund	2% of Average Asset Value Averaged over the prior 12 rolling quarters Fees are taken quarterly	Donor specifies 501(3)c nonprofit/s to receive benefit from the fund.
Unrestricted Community, Scholarship and Field of Interest Fund. All Endowment Funds	2% of Average Asset Value Averaged over the prior 12 rolling quarters Fees are taken quarterly	Grants are awarded through annual competitive grant process, based upon general direction from founding donor.
Acorn Endowment Fund	2% of Average Asset Value No distributions may be made until the fund reaches \$10,000 and converts to one of the above-described Funds.	A minimum opening contribution of \$500 is required with the stated intention to bring the asset value to \$10,000 within five years of the fund's opening.
Supporting Organization Endowment Fund	2% of Average Asset Value Averaged over the prior 12 rolling quarters Fees are taken quarterly	Supporting Organization's Board recommends nonprofit/s to benefit from the fund. LaGrange County Community Foundation must name a majority of the Supporting Organization's Board members.
Non-Endowed Funds	2-10% of gifts based on staff support time Fees are taken at the time the gift is received at LCCF and are not charged investment fees \$100 minimum annual management fee	Non endowed funds are temporarily the property of LCCF. They are given to LCCF for the benefit of a particular purpose or not-for-profit organization.

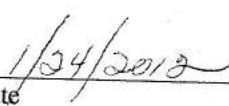
*Fees are negotiable for funds over \$1 million*

**Each fund held by LaGrange County Community Foundation is subject to two fees:**

1. **Management Fees** (shown above)
2. **Investment Fees** are set by the investment managers under contract with the Community Foundation and average 0.75% of total market value. These are shown net of return on the donor statement.

**NOTE:** Any out-of-pocket expenses incurred on behalf of a fund, e.g. legal fees, will be charged directly to the fund

  
LCCF Board approval

  
Date