



GREATER SAINT LOUIS
COMMUNITY FOUNDATION

GIFT ACCEPTANCE POLICY

Revised: Board Approval Date: December 13, 2013

Revised: Donor Engagement & Gift Planning Committee Approval Date: November 19, 2013

Approved: November 8, 2011

St. Louis Community Foundation

Gift Acceptance Policy

TABLE OF CONTENTS

I.	Introduction to the Foundation’s Gift Acceptance Policy	3
II.	Roles and Responsibilities of Board, CEO and CFO and Committees	3
III.	Confidentiality	3
IV.	Procedures for Review of Gifts	4
V.	Types of Funds	5
VI.	Fund Management	6
VII.	Gift Acceptance Procedures by Asset Type	7
Appendix A	Mission Statement	
Appendix B	Statement of Board Policy with Respect to Confidentiality	
Appendix C	Procedures for Acceptance of Interests in Closely Held Corporations, Limited Partnerships (LP) and Limited Liability Companies (LLC)	
Appendix D	Procedures for Acceptance of Gifts of Real Property	
Appendix E	Acknowledgement and Acceptance of Gift Acceptance Policy	

I. Introduction to the Foundation's Gift Acceptance Policy

The following represents the Gift Acceptance Policy (the "Policy") of the St. Louis Community Foundation (the "Foundation"). This Policy is subject to amendment by the Foundation for any reason and at any time, without notice to any party, at the Foundation's sole and absolute discretion.

This Policy has been adopted by the Foundation to, among other things, inform, guide, or assist donors who wish to support the Foundation's work and advance its charitable purposes. This Policy does not constitute the provision of tax, legal or other advice of any kind or nature, and neither donors nor any other party may rely, in part or in whole, on any of the provisions of this Policy or any communication by any officer, Director, staff member, agent or employee of the Foundation in determining the legal, tax or other consequences of a gift to the Foundation. All donors to the Foundation are expected to seek independent legal, tax and other appropriate advice with respect to the legal, tax and other consequences of making a completed gift to the Foundation. Such advice shall be sought at the donor's expense.

The Foundation generally accepts gifts dedicated to its charitable purposes, as set forth in the Articles of Incorporation of the Foundation's corporate-form (the St. Louis Community Foundation, Inc., a Missouri non-profit corporation) and in the Resolution and Declaration of Trust of the Foundation's trust-form (the St. Louis Community Foundation, a Missouri charitable trust), as restated on **Appendix A** hereof. Donors to the Foundation may designate or restrict the charitable purposes of gifts, provided that such designations or restrictions are in keeping with the Foundation's charitable purposes, are approved by the Foundation, and are documented in a letter or agreement signed by the donor and approved by the Foundation.

Types of gifts that the Foundation may consider for acceptance generally include lifetime and testamentary gifts, outright gifts, split-interest gifts (such charitable gift annuities, charitable remainder trusts, or charitable lead trusts), retained life estates or other appropriate gift arrangements. Gifts may be in many of several forms, including cash, marketable securities, life insurance, real estate, tangible property, retirement assets, or interests in business entities, such as partnerships or closely held corporations, subject to the provisions of this Policy.

II. Roles and Responsibilities of Board, CEO and CFO and Committees

The Board of Directors of the Foundation (the "Board") has delegated to the Foundation's Chief Executive Officer ("CEO") and its the Chief Financial Officer ("CFO") the authority to receive and respond to inquiries from donors and potential donors regarding charitable gifts to the Foundation, receive gifts, negotiate gift transactions, assemble documentation, retain expert and technical consultants, and execute gift acceptance and appropriate ancillary agreements on behalf of the Foundation, subject to all of the provisions of this Policy, the Foundation's operating procedures and any other applicable resolutions and directives from the Board as are issued from time to time. The Board may establish and assign duties to a committee to review proposed gift transactions on a continuing or ad hoc basis. Any such committee may include members of the Board and other persons selected by the Board. The Board may also assign additional responsibilities directly to the CEO or CFO.

III. Confidentiality

All non-public information concerning donors and prospective donors shared by the donor with the Foundation shall be held by it in confidence, subject to the Statement of Board Policy with Regard to Confidentiality provided herein as **Appendix B**, except for information which (i) is required to be disclosed in connection with the Foundation's tax filings, (ii) is lawfully requested by a state or federal government, or an agency or instrumentality thereof, (iii) is required to be disclosed in any court or administrative proceeding or is otherwise required to be disclosed by law, or (iv) the Foundation deems is reasonable and necessary to disclose in the ordinary course of the Foundation accomplishing its charitable purposes. In order to help secure confidential information, in appropriate cases the Board may delegate certain matters to a committee of the Board.



IV. Procedures for Review of Gifts

- A. General Factors.** The Foundation shall consider the following factors in accepting all gifts:
1. Verification of how the gifted asset is owned and the existence of any debts, encumbrances, liens or other restrictions to which the asset may be subject.
 2. Applicable Federal and State law.
 3. Preservation of the Foundation's status as a public charity.
 4. The donor's charitable intent and its alignment with the charitable purposes of the Foundation and the ultimate benefit to the community made possible by the gift.
 5. The nature of any restrictions or conditions on the gift and the implications thereof on the fulfillment of the Foundation's charitable purposes.
 6. Projected costs to the Foundation associated with accepting, administering, and eventually disposing of gift so it can be used by the Foundation for its charitable purposes.
 7. Consequences to the Foundation of rejecting a gift.
 8. Whether the asset is of a nature that is inconsistent with the Foundation's values or reputation.
- B. Gifts Accepted without Board Review.** Except as otherwise provided pursuant to paragraph C below, the Foundation's CEO and CFO shall have the authority to accept, without action or review by the Board, gifts which are consistent with its charitable purposes and which are otherwise acceptable in accordance with all of the other provisions of this Policy, assets in any of the following forms:
1. Cash;
 2. Checks, wire transfers, or other forms of cash transfer;
 3. Marketable Securities – stocks, bonds, and other readily marketable securities; and
 4. Bequests or other distributions from charitable remainder trusts, charitable lead trusts, or charitable gift annuities.
 5. Gifts of interests in business entities (other than marketable securities) such as closely held corporations, partnerships, and limited liability companies, The donor will be required to provide all applicable information as set forth in **Appendix C**.
 6. Gifts of real estate, whether fee simple, fractional interests, remainder interests in a residence or farm, or gifts of an interest in a closely-held company with respect to which real estate comprises a significant portion of such company's assets. In the case of any such gift, the donor will be required to provide all applicable information as set forth in **Appendix D** hereto.
- C. Gifts Subject to Board Approval.** The Foundation shall accept the following forms of gifts only with the approval of the Board:
1. The Foundation's participation in any supporting organization.
 2. Gifts of any asset type which may involve any one or more of the following:
 - a. The potential for substantial amounts of unrelated business income;
 - b. The potential for an excess benefit transaction; or
 - c. A transaction that presents a potential conflict of interest as stated in the Foundation's Conflict of Interest policy dated June 28, 2003.
- D. Board Review Process** The review process and documentation of gifts subject to a formal review of the Board under this Policy will be administered by the staff of the Foundation with, at its discretion, the assistance of its legal counsel. Based on its independent review of proposed gifts falling under this category,



the Foundation shall present a recommendation to the Board with appropriate background to assist in understanding their responsibilities as members of the Board of Directors of an organization with the tax status of a public charity, and applicable Federal and State law. For more complex transactions, the CEO may convene a meeting of a Board committee, such as the Ad Hoc Gift Acceptance Committee, to review, discuss, and make a recommendation to staff and to the full Board.

- E. Donor Notification of Foundation’s Decision Following Formal Review.** The Foundation will review gifts for acceptance on a reasonable timeframe considering all of the particular facts and circumstances. Donors will be notified of any gift that the Foundation declines to accept.
- F. Donor Acknowledgement.** Prior to the acceptance of gifts of an interest in real estate or a closely-held business, the Foundation shall require the donor to sign an Acknowledgment and Acceptance of Gift Acceptance Policy in substantially the same form as that set forth on **Appendix E** hereto, unless the CEO or CFO shall waive such requirement for good cause. In cases they deem it prudent, the CEO or CFO may require such an Acknowledgement and Acceptance to be signed by any donor in connection with any other gift to the Foundation.

V. Types of Funds



The Foundation offers several types of funds in response to community needs and a donor’s charitable intentions and goals, as follows:

- A. Giving for Good Community Fund.** Offers the broadest giving option, allowing grants to be made wherever community needs are the greatest
- B. Unrestricted (or Discretionary) Funds.** Unrestricted funds are available for donor gifts for any charitable purposes encompassed by the Foundation’s mission. The Executive Committee of the Board shall determine how unrestricted funds are used. Donors can also have their own named fund that has an unrestricted designation.
- C. Field of Interest Funds.** Field of Interest funds are designated to broad areas of interest and type of support, such as: the arts, education, health, the environment, and human services.
- D. Donor Advised Funds.** Donors establish advised funds for unrestricted charitable purposes. Donors recommend areas of interest and type of support.
- E. Scholarship Funds.** Scholarship funds are dedicated to providing grants for educational purposes to assist individuals within an identified class, such as: residents of a particular region, students attending a specific university, or undertaking a selected course of study.
- F. Designated Funds.** Designated funds are earmarked for one or more charitable organization or program, and all grants made from such funds must be made to or for the use of the designated recipient organization. If the recipient organization ceases to exist or changes its status or mission as a charitable organization, the Foundation’s Board of Directors may exercise its variance authority, selecting alternate use for the fund compatible with its original charitable purpose.
- G. Supporting Organizations.** In appropriate cases, the Foundation will participate with a donor in the establishment and operation of a supporting organization that meets applicable tax code requirements for a supporting organization. Because of the costs attendant to establishing and maintaining a supporting organization, which is a separate tax-exempt entity, this particular charitable option is usually reserved for larger gifts and situations in which the donor’s charitable goals are best accomplished in a supporting

organization structure. The structure of any supporting organization in which the Foundation participates must be approved, in advance, by the Board.

VI. Fund Management

- A. **Fund Agreement.** A fund agreement is required to establish a fund with the Foundation. For administrative ease and convenience, the Foundation has developed standard donor forms, pledges, contracts and charitable agreements and other documents relating to the acceptance of gifts.
- B. **Minimum Initial Balance.** The minimum fund balance for donor advised funds, field of interest funds, and designated funds is \$10,000. Endowed scholarship and discretionary funds shall require a minimum balance of \$50,000. Supporting organizations must be funded with a minimum of \$3 million. 
- C. **Support Fees and Expense Reimbursement.** The Foundation publishes a current Support Fee schedule that defines both the investment fees and the administrative fees charged for donor services. Costs associated with the review, acceptance and administration of gifts, such as attorney fees, accounting fees, and other professional fees such as appraisals, inspections, surveys, environmental assessments, and investment management expenses, any UBIT taxes, and like items will be charged against the fund to which such expenses relate. The Foundation adheres to ethical standards in fund development; therefore, no “finder’s fee,” stipend, commission or other compensation is paid to any person, including employees or volunteers of the Foundation, in consideration for any gift in any amount to the Foundation.
- D. **Inactive Funds.** Any Inactive Fund that has no new contributions or grants for a period of two years may be terminated unless the fund agreement states another provision. Foundation staff shall communicate with the donor to ascertain the donor’s goals. In the event the fund remains inactive, the assets shall be distributed for charitable purposes in support of grant or scholarship based on the donor’s original intent. If no intent was communicated or documented, the assets may be added to the Giving for Good Community Fund.
- E. **Documenting Gifts.** Acceptance of all gifts will be documented by a written acknowledgment, signed pledge, fund agreement, contract or other receipt or written communication signed by the donor and an authorized representative of the Foundation. Documentation will include information that is required by state and federal law as well as information that sets forth any conditions associated with the gift, including the terms of the gift, restrictions, or obligations imposed by the donor, such as stating a specific purpose in either the use or the duration of a gift.
- F. **Recording and Acknowledging Gifts.** All gifts that are accepted will be entered into the Foundation’s donor database. The gift entry will include gift conditions, restrictions, dedications, and other information to aid in documenting and managing the gift according to the agreed intentions or conditions.
- G. **Excess Business Holdings.** The excess business holdings rule of Section 4943 of the Internal Revenue Code of 1986, as amended, applies to donor-advised funds and supporting organizations in which the Foundation has chosen to participate. After the acceptance of any gift in a business enterprise (defined below), the Foundation’s Investment Committee, in conjunction with CEO and CFO, shall take steps, at least annually, to determine whether the gifted asset continues to constitute (or not) an excess business holding. If any such asset is found to constitute an excess business holding during such review, the Foundation shall take steps to dispose of the excess business holdings within the applicable period set forth in Code Section 4943. 

Section 4943 defines a ‘business enterprise’ as the active conduct of a trade or business, including any activity which is regularly carried on for the production of income from the sale of goods or the performance of services. A business enterprise does not include a trade or business at least 95% of the

gross income of which is derived from passive sources. Ownership of unincorporated businesses that are not substantially related to the fund's purposes is also prohibited.

- H. **Anonymous Gifts.** The Foundation's gift acknowledgment and correspondence with donors will include a written statement that informs donors that the Foundation assumes the permission to publicly recognize donors and their gifts unless the donor requests anonymity. However, the Foundation will not publicly recognize the value of a donor's gift without the permission of the donor.
- I. **Gifts to the Foundation are Irrevocable.** Gifts accepted by the Foundation are irrevocable and the Foundation is unable to return the gifted assets to the donor.

VII. Gift Acceptance Procedures by Asset Type



Generally stated, the Foundation will accept gifts in the form of the following asset types, subject to the all of the terms and conditions of this Policy.

- A. **Cash and Cash Equivalents.** Gifts and cash equivalents should be transferred to the Foundation accompanied by a written document signed by the donor indicating the purpose of the gift. Any applicable conditions or restrictions which apply to the gift, and which have been accepted by the Foundation, shall be set forth in a written instrument signed by the donor and the Foundation.
- B. **Checks.** Unless otherwise permitted by the Foundation, donors must make checks payable to "St. Louis Community Foundation Inc." or St. Louis Community Foundation, a Missouri charitable trust, and accompanied by a written document signed by the donor indicating the purpose of the gift and any applicable restrictions to which the Foundation is subject upon acceptance of the gift. Any applicable conditions or restrictions which apply to the gift, and which have been accepted by the Foundation, shall be set forth in a written instrument signed by the donor and the Foundation.
- C. **Pledges.** The Foundation will accept pledges for commitments to make future gifts to the Foundation if such pledges are made in writing to the "St. Louis Community Foundation Inc." The Foundation will not take action in reliance on pledged gifts unless the pledge is documented so as to constitute a legally binding obligation of the donor and, in the case of an individual donor, said individual donor's estate, to make the specified gifts, at specific times for specified purposes, and any applicable restrictions to which the Foundation is subject upon acceptance of the pledge and subsequent gifts. Each gift made in the fulfillment of pledge commitment accepted by the Foundation is subject to this Policy and individual review requirements provided for in this Policy, as if the gift were being made without consideration to a pledge.
- D. **Marketable Securities.** Publicly traded stocks, bonds, and other marketable securities may be electronically transferred, re-registered in the name of the Foundation, or conveyed through use of a stock power form. The Foundation will accept interests in mutual funds. The Foundation must be notified in advance and provided an associated written document signed by the donor indicating the purpose of the gift. Any applicable conditions or restrictions which apply to the gift, and which have been accepted by the Foundation, shall be set forth in a written instrument signed by the donor and the Foundation.

The Foundation will sell these securities within a reasonable time of their receipt. Stock controlled under Securities and Exchange Commission Rule 144 will be held until the restriction on sale expires and usually will be sold within a reasonable time of said expiration. Gifts of bonds that require a holding period may be accepted and usually will be cashed within a reasonable time of the expiration of the holding period.

The Foundation will generally not accept securities that are not assessable, subject to conditions by the issuer, or that may be subject to payment of assessments, or charged unusual fees at sale. In addition, the Foundation will generally not accept any security which, in any way, may create a liability for the Foundation, may not be assigned (such as series E savings bonds), and those which have no apparent value.

E. Interests in Business Entities. In appropriate cases, the Foundation will accept gifts of interests in business entities (e.g., closely held corporations, limited partnership interests, and limited liability companies). Such interests may be accepted if the Foundation assumes no liability to make capital contributions to the business or to pay its debts or other liabilities. In evaluating a proposed gift of such interests, the Foundation will consider, among other items, the probability of converting the interest into cash or marketable securities within an appropriate timeframe, the expected cash flow from the interest, the income tax treatment to the Foundation of any income attributable from the interest, and, if unrelated business taxable income is involved, the proposed mechanism for ensuring the Foundation's resulting tax bill is covered. Also, the Foundation will not accept such gifts if the amount of unrelated business taxable income is sufficient to jeopardize the Foundation's status as a charitable organization or as a public charity. The Foundation shall also consider the cost of owning and administering the interest until liquidation, and liability issues associated with holding such an interest. The Foundation also shall determine, with assistance as necessary from its accountants or legal counsel, whether the interest will constitute an excess business holding under Section 4943 of the Internal Revenue Code of 1986, as amended, and, if so, it must have a plan, approved by the Board, to dispose of such excess business holdings within the time period required by Code Section 4943. The donor must provide a completed IRS Form 8283 and the following information for any gift of an interest in a business entity:

1. Copies of the Governing Documents for the subject entity.
2. Copies of any Buy-Sell Agreements, Shareholder Agreements, Redemption Agreements, or other similar documents.
3. Three years prior tax returns and financial statements.
4. Appraisals obtained in past three years and for current tax deduction.
5. Assurance that the Foundation will not have any liability from holding the interest.

In the event that a disqualified person desires to purchase a closely held business interest from the Foundation, the Foundation will strictly adhere to the regulations set forth under Code Section 4958 for establishing a rebuttable presumption of reasonableness regarding the particular transaction. As part of this process, the Foundation will independently select an appraiser to determine the fair market value of the interest to be sold. Given the inherent uncertainty attendant to the determination of the fair market value of closely held business interests, it is possible that the respective appraisers will reach materially different conclusions regarding the fair market value. Because of the applicable rules, the Foundation is not able to sell the closely held business interest for a price lower than that determined by its valuation expert. However, additional process can be designed to resolve an impasse with respect to appraised values, including that the buyer could pay the price determined by the Foundation's appraiser, or the appraisers retained by the buyer and the Foundation, respectively, could select a mutually agreeable third appraiser to reach a determination regarding value. The Foundation is not able, however, to grant the closely-held business interest to another charitable organization if a grant recommendation is made after an attempted purchase is abandoned and Foundation believes the grant recommendation is due, in part, to dissatisfaction by any disqualified person with the process or any of the terms and conditions of the sale, including the purchase price to which the Foundation will agree.

The Foundation will take reasonable steps, in its sole discretion, to ensure that the sale will not result in a private benefit or private inurement to an individual or is otherwise inconsistent with the Foundation's status as a tax-exempt organization. The Foundation does not accept gifts of general partnership interests, sole proprietorships, or controlling interests in any business.

F. Real Property. The Foundation accepts gifts of real property that will result in a net gift (net gift value) of at least \$250,000 to the Foundation after expenses. The Foundation will accept the following types of real property gifts:

1. An outright gift of the entire unencumbered property.

2. Gifts of property encumbered by mortgages where resale will generate minimum net gift values, notwithstanding, such gifts will be reviewed on a case-by-case basis and may be accepted or declined based on the result of this review. Debt encumbered real property will be considered and reviewed by the Ad Hoc Gift Acceptance Committee for further consideration by the Foundation's CEO and CFO.
3. A bargain sale gift, where the donor sells the property to the Foundation at below fair market value.
4. A gift of fractional interest in a property that is marketable, or
5. A retained tenancy interest property gift, most commonly where the donor retains the right to reside upon or work within the gift property for a described period.

The Foundation shall require the donor, at his or her expense, to provide a copy of a qualified appraisal together with IRS Form 8283. The Foundation reserves the right to obtain its own appraisal, the cost of which shall be charged to any fund that results from the gift, if accepted.

The donor will be required to provide all applicable information as set forth in **Appendix D**. The Foundation may reject real property gifts that are not marketable, present risks or liabilities that the Foundation is unwilling to accept or that require expensive, cumbersome, or time-consuming transactions.

G. Tangible Personal Property. Gifts of such assets as boats, airplanes, automobiles, artwork, furniture, equipment, jewelry, gems, and metals valued in excess of \$5,000 must be accompanied by a qualified appraisal. A completed IRS Form 8283 must accompany gifts of tangible personal property. Unless the property is to be used in connection with the Foundation's charitable purposes, it will not be accepted unless it can be sold within a reasonable time of being gifted to the Foundation or if, prior to such a sale, the property requires unusual expenses that are disproportionate to the value of the property. The Foundation will require the donor to cover expenses of owning and selling the asset with an up-front gift of cash, unless this condition is waived by the CEO for good cause. The Foundation will require appropriate documentation in connection with any such gift.

H. Royalties, Distribution Rights. 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. A completed IRS Form 8283 must accompany gifts of royalties or distribution rights.

I. Insurance Policies and Proceeds. The Foundation generally will accept the transfer of ownership of a paid-up life insurance policy that may enable the donor to claim a charitable contribution deduction, as determined under applicable provisions of the Internal Revenue Code. The Foundation will also accept ownership of premium-due policies in appropriate circumstances, giving consideration to relevant factors including, but not limited to, the expected investment return to the Foundation, if it were to maintain the policy in force until the insured's death (considering the economics of the policy and the insured's life expectancy), and any plans or methods of future gifts from the donor or others to cover future premiums due on the policy. If premiums are due on a donated policy and the donor or others fail to make gifts to cover future premiums, the Foundation, of course, retains the right to cancel or surrender the policy or to continue to pay premiums if it determines such a course of action is beneficial.

For whole life insurance policies, the gift value is the policy's interpolated terminal reserve value plus any premiums the owner had paid that covered the period after the date of the gift. The donor is responsible for providing written documentation of this value (Form 712) from the insurance company.

In all cases involving gifts of life insurance, the Foundation shall (1) own and be the beneficiary of the policy and retain the policy in its offices, and (2) retain the right to surrender, cancel, or dispose of the policy at any time in its sole and absolute discretion. The Foundation will not enter into personal benefit contracts prohibited by Section 170(f)(10).

J. Retirement Assets. Account type retirement plans, in which a balance accumulates as principal, generally may be gifted to the Foundation. These include IRAs, 401(k)s, 403(b)s, and defined contribution plans.

K. Deferred Gifts. The Foundation generally will accept deferred gifts. These include testamentary gifts (gifts made after the donor's death) and split interest gifts (such as charitable remainder trusts, charitable lead trusts, and charitable gift annuities).

1. *Testamentary Gifts.* The Foundation accepts testamentary gifts. Testamentary gifts can be made by bequest in the donor's will or trust documents, or a beneficiary of life insurance policies, or retirement assets. Persons interested in making testamentary gifts to the Foundation will be encouraged to use the following language to identify the Foundation:

“The St. Louis Community Foundation Inc., a Missouri nonprofit corporation located at 319 North Fourth Street, Suite 300, St. Louis, Missouri 63102”

OR

“The St. Louis Community Foundation Trust, a Missouri charitable trust located at 319 North Fourth Street, Suite 300, St. Louis, Missouri 63102”

Donors who establish a testamentary gift will be asked to provide a written document or a fund agreement describing the purpose of the gift and any applicable restrictions to which the Foundation is subject upon acceptance of the gift. In the event a testamentary gift is received without written instructions with respect to its' purpose nor indication of any applicable restrictions on the gift, it shall be consider an unrestricted contribution to the Foundation dedicated to the fulfillment of the Foundation's general charitable purposes.

2. *Split Interest Gifts.* The Foundation generally will accept split interest gifts. These include charitable trusts or charitable gift annuities.
 - a. **Foundation Policies Regarding Charitable Trusts:** Donors who have established a charitable trust and have named the Foundation as a charitable recipient will be asked to enter into a fund agreement, and provide copies of the documents governing the charitable trust. These documents should specify the Foundation as a charitable recipient and name the fund to which the donor's gift will contribute. The type of fund and purpose of the fund may be further described in detail in the gifting documents or in a separate fund agreement. The Donor shall also provide an annual statement of the charitable trust. The Foundation will not serve as Trustee of a trust.
 - b. **Foundation Policies Regarding Charitable Gift Annuities:** Donors using a charitable gift annuity will enter into a fund agreement and sign a charitable gift annuity agreement. The fund agreement will name the Foundation fund to which the donor's gift will contribute. The purpose of the fund may be further described in detail in the gifting documents or in a separate fund agreement.
 - i. **Restrictions on Grant Making:** The assets used to establish charitable gift annuities cannot be used for grant making until the death of the last beneficiary.
 - ii. **Uniform Annuity Rates:** Unless warranted by unusual circumstances as determined by the CEO or CFO, the payment rates for annuitants will be those published by the American Council on Gift Annuities.
 - iii. **Annuities Established with Gifts of Real Estate or Tangible Personal Property:** An annuity's value will be based on fair market value of the real estate or tangible personal property gift, as documented by a qualified appraisal.
 - iv. **Minimum Gift Annuity:** Unless warranted by unusual circumstances, the minimum charitable gift annuity will be \$100,000 or the Foundation's minimum endowed fund amount, whichever is smaller.
 - v. **Age of Annuitants:** The minimum age for annuitants is age 65.
 - vi. **Payment Periods:** All annuities will pay quarterly, on the last day of March, June, September, and December.
 - vii. **Flexible Deferred Annuity Starting Dates:** Unless warranted by unusual circumstances, flexible deferred charitable gift annuities will be limited to three (3) years before and three (3) years after the contractual payment start date.

APPENDIX A

Mission Statement of the Greater Saint Louis Community Foundation

The St. Louis Community Foundation's mission is to facilitate philanthropic and community partnerships that inspire regional good. By fulfilling our mission it is our goal to improve the quality of life across the region by helping individuals, families, and businesses make a difference through charitable giving. In particular, the Articles of Incorporation of the St. Louis Community Foundation Inc. provides that:

The corporation is organized and shall be operated exclusively for non-profit charitable purposes. The specific purposes for which the corporation is organized are as follows: to be organized and operated to seek, accept, and administer contributions from a wide range of potential donors; to accumulate and maintain such contributions in one or more funds, and to distribute the income and/or principal from such fund(s) to charitable organizations, institutions, and agencies and to individuals so as to serve the general charitable needs of the St. Louis metropolitan area, as now or hereafter constituted, in the promotion of education, social, and scientific research, the care of the sick, aged, infirm, and handicapped, the care of children, the improvement of living, working, recreations, and environmental conditions or facilities, and such other charitable, educational and social purposes that will assist in the betterment of mental, social, and physical conditions of the human race and primarily (but not limited to) the inhabitants of the St. Louis metropolitan area as now or hereafter constituted, regardless of race, religion, sex, place of national origin, or political persuasion. (Article 8a)

Also, the Resolution and Declaration of Trust of the St. Louis Community Foundation, a Missouri charitable trust, provides that:

The Trustees, as shown in the attached "List of Trustees" and all other Trustees will accept and hold in trust all gifts received under the terms and conditions of this Governing Instrument as Trustee exclusively for the charitable purposes as set forth herein, and with the powers and duties herein set forth. Unless otherwise requested by the donor and authorized by the Governing Body, all gifts shall be held in trust as unrestricted funds. All funds, whether restricted or unrestricted, and all net income therefrom, shall be applied to assisting qualified charitable organizations and public charities (whether supported by private donations or public taxation) in the realization of charitable purposes, contributions for which are deductible under Sections 170(c)(1) and (2)(b), 2055(a) and 2522(a) of the Internal Revenue Code of 1954, including but not limited to the promotion of education, social and scientific research, the care of the sick, aged, infirm, and handicapped, the care of children, the improvement of living, working recreations and environmental conditions or facilities, and such other charitable, educational, and social purposes that will assist in the betterment of mental, moral, social and physical conditions of mankind and primarily of the inhabitants of the St. Louis metropolitan area as now or hereafter constituted, regardless of race, religion, sex, place of national origin, or political persuasion, according to the discretion of the Governing Body, to be constituted as hereinafter provided. In addition, the Community Foundation may engage directly in charitable activities and utilize its funds, including but not limited to making direct loans or grants, to further the foregoing purposes. (Article III)

APPENDIX B

Statement of Board Policy with Respect to Confidentiality

The St. Louis Community Foundation recognizes that in order to fulfill the Foundation's mission it must maintain and manage records on donors, prospective donors, wealth advisors, wealth advisory firms, grantees and prospective grantees. These records may contain sensitive information that has been shared with, or developed by, Foundation's directors, officers, employees, agents, fiduciaries (i.e., professional advisors) and volunteers on a confidential basis. Often, donors and prospective donors wish to keep their identity confidential as well. The success of the Foundation hinges on its ability to respect the privacy and confidentiality of the persons and organizations represented in these records and the information learned or created in the course of doing business with them. Additionally, care must be taken to preserve the confidentiality of discussions that take place and information that is shared in the course of conducting Foundation business.

This Statement of Board Policy with Respect to Confidentiality has been put in place to assist the Foundation and its directors, officers, employees, agents, fiduciaries and volunteers in fulfilling this obligation and commitment to confidentiality. The Foundation has not attempted to develop an exhaustive list of all things that should remain confidential, as each situation depends on its specific facts; however, confidentiality is the general rule. Any questions about what is confidential and about specific instances of release or discussion of confidential information should be directed, in the case of an employee or volunteer, to his or her direct supervisor, and in all other cases, to the President of the Foundation. Below are guidelines for the handling of specific information:

Confidentiality of Records: All Foundation personnel at every level shall be responsible for maintaining the confidentiality of the Foundation's records. Notwithstanding the foregoing, the Foundation's auditors, legal counsel and other contractors are authorized to review Foundation records as required for the purposes for which they are engaged. Further, all personnel may make records available to person's outside the Foundation, or take Foundation records outside of the office, to assist them in executing specific responsibilities that directly relate to Foundation business; however, non-supervisory employees and volunteers need the approval of their direct supervisor to do so. Additionally, under no circumstances can anyone, at any level, remove a Fund File from the Foundation without the approval of the President of the Foundation.

Confidentiality of Foundation Business: Discussions that take place in the context of the Foundation's operations require discretion, including but not limited to, discussions pertaining to civic engagement, grantmaking, gift planning, donor services, operating budgets (expense and revenue), investment management, personnel, and Board governance. The positions or statements of individual directors, officers, employees, agents, fiduciaries, and volunteers should not be discussed, even within the Foundation, outside of the official Foundation meetings and processes where these subjects are discussed except among those whose responsibilities directly relate to such meetings and processes.

Public Disclosure: Notwithstanding the foregoing, this Confidentiality Policy shall not be construed in any manner to prevent the Foundation from complying with public disclosure requirements, including the open availability of its Form 990 tax returns, or from disclosing information, in accordance with all applicable laws, for example, to taxing authorities or other governmental agencies having regulatory control or jurisdiction over the Foundation or where compelled to do so by a court of competent jurisdiction or as otherwise required by law or in a manner that is reasonable and necessary for the conduct by the Foundation of its charitable activities.

APPENDIX C

Procedures for Acceptance of Interests in Closely Held Corporations, Limited Partnerships (LP) and Limited Liability Companies (LLC)

- A. Procedures for Acceptance.** The following steps (in addition to any other procedures set forth in this Policy) apply to closely held business interests:
1. The Foundation's CEO, or his/her designee, will discuss with the donor or the donor's representative the charitable intent of the donation, any relevant restrictions or conditions associated with the contribution, and all of the items set forth in the Policy.
 2. The Foundation and its legal counsel will receive and have adequate opportunity to review the following:
 - a. Copies of the Governing Documents for the subject entity (e.g., articles of incorporation and bylaws for a corporation, certificate of limited partnership and limited partnership agreement for a limited partnership, and certificate of organization and operating agreement for a limited liability company) and any amendments to the Governing Documents.
 - b. Copies of any Buy-Sell Agreements, Shareholder Agreements, Redemption Agreements, or other similarly named agreements which provide for any restrictions or conditions upon the transfer, sale, or other disposition of the closely held business interests.
 - c. Copies of any Federal and state income tax returns for the prior three years for the subject entity.
 - d. Copies of any audited financial statements or, if audited financial statements are unavailable, copies of unaudited financial statements) for the subject entity for the prior three years.
 - e. Copies of any appraisal obtained by the donor to value the donated interest for any purpose within the prior three years, including a current appraisal which the donor intends to use for federal income tax purposes.
 3. Such gifts will be reviewed on a case-by-case basis and may be accepted or declined based on the result of this review.
 4. The Foundation will receive an annual tax reporting or valuation for the business interests (in the form of a K-1 or 1099). This information provides the basis for the Foundation to book the asset, as required in FASB standards. The Foundation may require its own appraisal of the interest.
- B. Disposition of Closely Held Business Interests.** Decisions regarding the final disposition of closely held business interests are considered on a case-by-case basis with consideration to, among other items, the following criteria:
1. The Foundation's primary objective in disposition of any asset is the maximization of the long-term value of the asset for the charitable purposes of the Foundation.
 2. The Foundation may hold closely held business interests until such time as market conditions and the interest of potential buyers enable it to achieve its primary objective; however, the Foundation will review such holdings on a quarterly basis and will not hold such assets indefinitely.
 3. In the event that a disqualified person desires to purchase a closely held business interest from the Foundation, the Foundation will strictly adhere to the regulations set forth under Code Section 4958 for establishing a rebuttable presumption of reasonableness regarding the particular transaction. As part of this process, the Foundation will independently select an appraiser to determine the fair market value of the interest to be sold. Given the inherent uncertainty attendant to the determination of the fair market value of closely held business interests, it is possible that the respective appraisers will reach materially different conclusions regarding the fair market value. Because of the applicable rules, the Foundation is not able to sell the closely held business interest for a price lower than that determined by its valuation expert. However, additional process can be designed to resolve an impasse with respect to appraised values, including that the buyer could pay the price determined by the Foundation's appraiser, or the appraisers retained by the buyer and the Foundation, respectively, could select a mutually agreeable third appraiser to reach a determination regarding value. The Foundation is not able, however, to grant the closely-held business interest to another charitable organization if a grant recommendation is made after an attempted purchase is abandoned and Foundation believes the grant recommendation is due, in part, to dissatisfaction

by any disqualified person with the process or any of the terms and conditions of the sale, including the purchase price to which the Foundation will agree.

4. The Foundation will take reasonable steps, in its sole discretion, to ensure that the sale will not result in a private benefit or private inurement to an individual or is otherwise inconsistent with the Foundation's status as a tax-exempt organization. The Foundation does not accept gifts of general partnership interests, sole proprietorships, or controlling interests in any business.

APPENDIX D

Procedures for Acceptance of Gifts of Real Property

The following steps (in addition to any other procedures set forth in this Policy) apply to any gift of Real Estate:

1. Any gift of real property must result in a gift value, net of costs, of \$250,000.
2. The donor must make the potential gift property available for inspection by the Foundation or its designated agents.
3. The donor must provide the Foundation with a qualified appraisal and IRS Form 8283 prepared by the appraisal.
4. Evidence of title and the donor's interest, along with a deed transferring the property to the Foundation, all in a form and substance satisfactory to the Foundation, must be provided to the Foundation.
5. Generally, it is the policy of the Foundation to assume responsibility for all expenses associated with the property immediately after closing the gift transaction; however depending on the value of the gift property and the complexity of the gift transaction, the Foundation will request the donor to provide an additional cash gift to cover costs of accepting, maintaining, or disposing of the real property gift.
6. Unless warranted by unusual circumstances, or otherwise directed by the Board, it shall be the policy of the Foundation to dispose of, by means of expeditious sale, all gifts of real property. The Foundation will take reasonable steps to avoid selling property at a distressed price.
7. The Foundation shall only accept gifts of real property that are considered, in the sole judgment of the Foundation, free of unreasonable liability, that are readily marketable, and that are appropriate and consistent within the scope of operations of the Foundation.
8. Gifts of commercial property or income-producing property must be reviewed by the Foundation's legal and tax advisors for potential exposure to unrelated business taxable income.
9. The Donor shall be informed that the Foundation will complete and submit Form 8282 to the IRS, documenting the resale value received by the Foundation, when the property is resold within three years of the date of the real property gift.
10. The Foundation will only accept gifts of real property encumbered by a mortgage or lien when the property can be sold at a price exceeding the aggregate encumbrances that achieves a minimum net gift value.
11. The Foundation shall require environmental and hazardous materials due diligence be performed by contractors of its choosing for each potential gift of property before that property may be accepted. For most residential and undeveloped or agricultural properties, a "Limited Environmental Due Diligence Transaction Screen" shall be sufficient. For all other properties, a full "Phase I Environmental Assessment (AAI – All Appropriate Inquiries)" shall be required.
12. The Foundation will accept a gift of fractional interest in real property only when it is accompanied by an agreement, executed by the remainder property owners, defining the process and timing for liquidating the whole property, subject to exceptions to this Policy approved by the Board due to extraordinary circumstances.
13. The Foundation will accept a gift of real property with a retained life tenancy only after an analysis has been made by the Foundation. The Foundation must have reasonable expectation that the property can be sold within one year after the death (or terminated interest) of the donor, and that the use of the property during the period of tenancy will not result in costs or liabilities to the Foundation.

APPENDIX E

Acknowledgement and Acceptance of Gift Acceptance Policy

I acknowledge that I have received, reviewed, understand and accept all of the provisions set forth in the Gift Acceptance Policy of the St. Louis Community Foundation.

DONOR(S):

Signature

Date

Print Name

Signature

Date

Print Name

PROFESSIONAL ADVISOR *(if applicable)*:

Signature

Date

Print Name