

## **DONATION ACCEPTANCE POLICY**

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### **1. Review and Approval of Contributions**

- a) All contributions are subject to the review and approval by CCFMTN prior to acceptance. Staff generally has the authority to accept contributions of cash and marketable securities (those that are actively traded and sellable on the open market – and are called liquid assets).
- b) Contributions of illiquid assets include but are not limited to closely held securities, limited liability corporations (LLCs), limited partnerships and tangible personal property and require prior approval per gift acceptance policies as established and approved by the board of directors (or a designated committee). A senior management officer of CCFMTN will review and approve contributions of all assets that are not readily marketable.
- c) Contributions that would violate the excess business holdings rule for donor advised funds under the Pension Protection Act of 2006 are generally prohibited, but may be accepted in special circumstances if reviewed and approved by a senior management officer of CCFMTN.
- d) Contributions of real estate are subject to the review and approval by the board of directors.

### **2. Written Acknowledgement of Acceptance of Contributions**

- a) CCFMTN will provide written confirmation at the time of acceptance of any contribution that is required by the IRS to be documented by an acknowledgement for the Donor's tax return. CCFMTN, in its discretion, may also provide written confirmation of contributions that are not otherwise required by the IRS to be acknowledged. The confirmation will include the dollar amount of any cash gifts and marketable securities such as publicly traded stocks, bonds and mutual fund shares.
- b) Acknowledgement of private securities and other illiquid assets will only include a description of the gift but will not include a dollar value of the donated assets. Donors should obtain a qualified independent appraisal prior to making such a contribution. (The IRS generally requires a donor to obtain a qualified appraisal for illiquid assets no earlier

than 60 days before the date of the gift and no later than the due date (including extensions) for the return where the donor first claims a deduction for the gift.)

- c) Contributions not accepted will be returned as soon as practical.

### **3. Donor's Counsel**

CCFMTN requires each prospective Donor to have the terms of all proposed agreements reviewed by the Donor's legal and/or financial advisors. The Donor is advised that it is the Donor's responsibility to obtain the necessary appraisals, file appropriate tax returns, and defend against any challenges to claims of tax benefits.

### **4. Minimum Initial Contributions**

The minimum amounts to establish a Split-Interest arrangement are:

- a. Charitable Remainder Annuity Trust     \$100,000
- b. Charitable Remainder Unitrust             \$100,000

### **5. Named Fund (A Donor advised fund that it's donor has the privilege of naming after his/her family)**

The minimum amount to establish a named fund is \$ 100,000

### **6. Additional Contributions**

Additional contributions of cash and actively traded marketable securities to an established Fund may be made in any amount at any time. Gifts of other assets (illiquid assets) require advance approval per gift acceptance policies approved by the board of directors (or a designated committee) (see Section 1. above). However, federal tax laws prohibit additional contributions to a charitable remainder annuity trust. In these cases a new trust agreement will be necessary.

### **7. Contributions are irrevocable**

Any contributions made to CCFMTN, once accepted, represents an irrevocable charitable contribution to CCFMTN. Contributions to CCFMTN are not refundable.

### **8. Donor Restrictions on Use of Property**

Federal tax laws provide that a Donor to CCFMTN may not impose any "material restriction" (a term defined in the Treasury Regulations), which prevents CCFMTN from freely and effectively employing the contributed assets, or the income derived there from, in

furtherance of its charitable purposes. Any restriction (beyond the specified charitable purposes stated in the instrument of transfer) sought to be imposed by a Donor is subject to review and approval by CCFMTN.

#### **9. Policy to Sell Contributed Property**

The general policy of CCFMTN is to sell all contributed property as soon as practical after receipt so as to minimize market risk. For non-publicly traded securities or other assets for which no readily liquid market exists, CCFMTN will exercise discretion as to the timing and price of sales.

#### **10. Tax Deduction vs. Net Proceeds from Sale of Contributed Property**

An individual for income tax purposes can deduct a charitable contribution only in the year in which the contribution is actually paid or ownership has transferred (excess contributions above adjusted gross income percentage limitations may be carried forward for up to five (5) additional years). Tax laws generally provide rules on how the value of the contribution deduction is determined. Gifts to CCFMTN are deductible at the highest “public charity” level allowed by law.

The value of the contribution for tax deduction purposes may vary from the net proceeds realized by CCFMTN upon the sale of the contributed property. Donors are encouraged to consult with their professional tax advisors to determine the appropriate value for tax deduction purposes.

#### **11. Confidentiality**

All agreements with Donors and all information concerning Donors and prospective Donors shall be held in strict confidence by CCFMTN, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests or releases of information concerning a Donor will be honored or allowed only if permission is obtained from the Donor prior to release of such information.