



Sunland Village East Foundation Board of Trustees Resolution

RESOLUTION # 12B

Gift Acceptance Policy -- as revised 4/10/2024

WHEREAS Sunland Village East Foundation was founded for the purpose of accepting gifts for the furtherance of the Foundation's charitable intent; and

WHEREAS the Foundation's charitable intent is closely regulated by the Internal Revenue Service; and

WHEREAS the Foundation must have processes and procedures, for acceptance of gifts, that are not in conflict with our charitable intent;

Therefore, be it RESOLVED that the Sunland Village East Board of Trustees hereby adopts and implements minor revisions to the Gift Acceptance Policy developed and adopted by the Board on February 3, 2024, and revised on April 10, 2024.

<u>Trustee Signature</u>	<u>Trustee Printed Name</u>	<u>Date</u>
	LONA CHRISTOFFERS	4-10-24
	JAMES F. VOLK	04/10/2024
	William Hopper	4/10/2024
	Linda Trappett	4/10/2024

The Secretary of the SVEF certifies that the above is a true and correct copy of the resolution that was duly amended and adopted at a scheduled meeting of the Board of Trustees on 4 / 10, 2024.

<u>Secretary Signature</u>	<u>Secretary Printed Name</u>	<u>Date</u>
	Linda Trappett	4/10/2024



SUNLAND VILLAGE EAST FOUNDATION

GIFT ACCEPTANCE POLICY

MISSION

Founded in 2022 the Sunland Village East Foundation (SVEF) mission is to serve the cultural needs of the residents of Sunland Village East (SVE) and organizations and peoples adjacent to our SVE community and beyond.

As a public, nonprofit institution that is exempt from Federal Income Tax liability under Internal Revenue Code Section 501(C)(3), The foundation welcomes financial support in various forms to further its mission. Consistent with its foundational values and emphasis on service, ethics, and stewardship, it seeks to ensure that gifts are structured and managed to maximize their benefit to both the donor and the foundation.

OBJECTIVES

The Sunland Village East Foundation's Gift Acceptance Policies have been developed to achieve the following objectives:

- To encourage and facilitate giving to the Foundation which serves both donors and the Foundation:
- To protect the interest of donors with respect to their personal and financial situations and philanthropic desires as they pertain to the Foundation.
- To ensure that gifts are in the best interest of the foundation, will positively impact its mission and cannot reasonably be foreseen to directly or indirectly have a negative impact on the Foundation.
- To facilitate the acceptance of gifts to the Foundation and ensure the professional, fair, and ethical treatment of donors.

GUIDING PRINCIPLES

The SVEF welcomes and solicits gifts and contributions from individuals, corporations, foundations, and other organizations which support its mission, are appropriate, and are compliant with local, state and federal laws.

A gift is defined as "Consideration given for which the donor does not receive a direct benefit and requires nothing in return beyond assurance that the intent of the donation will be honored."

Gifts can be made for which a small indirect benefit is received, such as membership in the "Paul and Lona Christoffers Founders Club." In this situation, the Foundation shall make a good faith effort to provide the donor with the amount of the donation which is a legitimate contribution under IRS regulations.

The Foundation encourages donors to consult with their own family members, financial and legal advisors before making a gift as it is the donor's responsibility to ensure their proposed gift furthers their charitable, financial, and estate planning goals.

SVEF foundation reserves the right to decline any gift it deems not to be in its best interest or is inconsistent with its mission.

The Foundation reserves the right to sell gifts, such as financial securities, when it is in the best interest of the foundation not to hold those gifts. A reasonable effort shall be made by the foundation to apprise the donor of its intentions.

The Foundation will accept only unrestricted, general use, easily monetized: money, checks, credit cards, payroll deductions, negotiable instruments such as bank notes, money orders, traveler's checks, financial securities, and other U.S. Federal Reserve regulated legal instruments. Donated funds will be used for whatever use the foundation deems will further its mission.

The Foundation will manage its gifts with integrity and professionalism, serving as a responsible steward in accordance with and honoring the wishes of the donor. The Foundation will provide information about the gift, its use, and disposition as appropriate.

PROCEDURES

Gift Acceptance Committee

The Foundation shall establish a "Gift Acceptance Committee." Membership shall consist of The Foundation's Board President/Chairman, Treasurer, and one additional appointed Board member." The committee has the responsibility and authority to accept or reject all gifts. If it cannot reach an agreement, the acceptance /rejection decision shall be made by the full membership of the Board of Trustees.

Appraisals

When desired or required, an appraisal will be conducted utilizing an independent licensed appraiser as mutually agreed to by both the donor and the foundation. The appraisal costs will be addressed on a case-by-case basis.

Costs Associated with Gifts

Proposed gifts of property and in-kind gifts of goods, services, etc. will be evaluated by "The Gift Acceptance Committee," to determine likely associated costs or potential unintended costs from acceptance of the gift, their impact on the value of the gift's benefits relative to the Foundation. When specialized donations such as gifts of land, mineral rights, or oil-related mineral rights are being offered, the Gift Acceptance Committee shall employ industry experts to determine the reasonable value of such gifts.

Gift Acknowledgments

SVEF shall provide donors with a letter, receipt, or other appropriate or required documents acknowledging acceptance of their gifts.

IRS Forms 8283 and 8282

When the value of a non-cash gift, which is not a public traded security, is greater than \$5,000, the IRS requires an independent appraisal of the property and that both the donor and the Foundation sign IRS Form 8283 acknowledging its donation to and its acceptance by the foundation.

The appraisal shall be made no more than 60 days prior to the gift's donation and before the due date of the donor's Federal Income Tax return. The Foundation shall require the donor to present a copy of the appraisal and IRS Form 8283 to the foundation at the time of the gift. This rule does not apply to personal property bearing a VIN (Vehicle Identification Number) if the Foundation processes its donation through the Arizona Humane Society. In this specific case, the full sale price of the donated vehicle will be the appraised donation amount, and AHS will complete form 8283 for the donor.

When contributed property reported on IRS form 8283 is retained by the Foundation for its charitable endeavors, but is then exchanged, sold, or otherwise disposed of within three years from the date of donation, the Foundation shall file IRS Form 8282 (Donee Information Return) with the IRS and a copy of Form 8282 to the donor within 125 days of its disposition.

POLICIES ON GIFTS BY CATEGORY

No personal property will be accepted that obligates SVEF to manage or own the property in perpetuity.

Direct Cash Pledges

SVEF will accept direct, one-time, pledges or commitments to the gifting of a specified dollar amount according to a periodic, pre-agreed defined schedule. Pledge payments may be made by either direct payments to SVEF or through a financial intermediary such as a bank or credit card company.

Named Individual Project or Named Endowment Gift

A gift named either for an individual project or an endowment may be established. An individual project gift is defined as "a one-time gift attaching a name only to a project." A named endowed gift is defined as "a gift where "a separate internal account is set up and the earned income is credited to the account and is the dollars available for distribution." Both require a written agreement stipulating the minimum dollar amount required for the donation, guidelines, policies, and practices of the arrangement. Both gifts may be established which (a) carries the name(s) of the donor or (b) named in some other person's name or (c) the name of a specified project.

For a named endowment gift, the SVEF Board, at its discretion, will allocate either (a) a specific annual percentage return as the account's annual "earned income", or (b) calculate its actual earned income based on the percent of total assets that the account balance (corpus) represents relative to the foundation's investment account's total dollar value. ie: if the account balance is 1% of the total investment account's value, then 1% of the investment account's earned income will be allocated to the account. Once calculated, a portion or all of the earned income will either be paid out or be added to and become part of the named account's corpus.

Life Insurance and Retirement Accounts

Life insurance policies, individual retirements accounts, and all other accounts that allow for named beneficiaries, naming SVEF as a beneficiary will be accepted. For gift crediting and accounting purposes, the value of a paid-up life insurance policy will be the policy's "Replacement Cost." Partially paid-up policies will be valued at their cash surrender value.

The SVEF reserves the right to continue making premium payments on a gifted policy, convert the policy to a paid-up policy, or to liquidate the policy at its cash surrender value. The decision to exercise this right shall be made by the "Gift Acceptance Committee."

If it is in the best interest of the donor to replace a policy, to protect the donor, the Foundation shall implement all of the model procedures and regulations for replacement policies as spelled out by "The National Association of Insurance Commissioners."

When a donor has informed SVEF of their intent to name the Foundation as a principal beneficiary at their death, the following procedure shall be followed: The Foundation will: (1) prepare a "Letter of Intent to Donate," have it signed by the donor and have donor's signature notarized; (2) have donor complete the required IRA custodians or insurance company paperwork; (3) prepare a "Letter of Acceptance," signed by an authorized SVEF officer; (4) complete the Foundations required paperwork; (5) prepare a corporate resolution authorizing a named officer who will act as the foundation's agent, and be included as part of the acceptance letter.

Because adding the Foundation as an income or principal beneficiary to retirement accounts or life insurance policies, replacing or liquidating a policy may have severe monetary ramifications to the donor, a high ethical and legal bar has been set to protect the donor against unscrupulous actors. The Foundation will judiciously conduct its due diligence and always place the best interests of the donor ahead of its own interests.

Publicly Traded Securities

Readily marketable securities will be accepted. Unless otherwise agreed to by both the donor and the Foundation, readily marketable securities will immediately be sold, with the sale proceeds added to the Corpus of the Foundation's investment account.

Thinly Traded Securities

Thinly traded securities may not be readily marketable and may require time to liquidate. Therefore, at the time of donation, a program of sale, agreed to by both the donor and Foundation, will be implemented and adhered to until the sale of all the securities has been completed.

Closely Held Non-Publicly Traded Securities

The acceptance of closely held non-publicly traded securities shall be reviewed by the "Foundation Investment Committee" for their cost-benefit value to the foundation. The investment committee shall make an acceptance/rejection recommendation to the foundation's "Gift Acceptance Committee." The Gift Acceptance committee shall make the final acceptance/rejection decision.

Art and Collectable Items

Donors will be informed at the time of acceptance that SVEF will implement and follow all mandatory rules, regulations, and procedures established by the authorized Federal and State regulatory agencies, relative to non-cash gifts. Art and Collectable Items will be appraised by a qualified individual to establish the donated value of the gift. If it is essential in establishing current value, the appraiser may require documentation of the item's sales history.

It is the policy of SVEF to sell all pieces of donated art and collectable items. But, as an alternative to selling, the foundation reserves the right to retain ownership and display the item in a chosen location.

Real Estate

SVEF places the following policies on its acceptance of gifts of real estate.

All acceptance decisions regarding real estate gifts of residential, commercial, industrial, agricultural properties, including time-shares, shall be made only by SVEF "Board of Trustees."

If the property donation includes a "Life Estate" gift, a written agreement regarding the donor's and the SVEF's responsibilities as to who is responsible for the maintenance of the property, the payment of property expenses, property taxes, special assessments, and property insurance premiums during the donor's lifetime. At the end of the donor's life, the property shall immediately be sold, and the sales proceeds added to the SVEF investment account.

Oil and gas related gifts shall be reviewed by the "Gift Acceptance Committee". The committee shall consult, and when beneficial, employ industry professionals to assist in determining the property market and donation values.

Donors will be informed at the time of acceptance that SVEF will implement and follow all mandatory zoning rules, regulations, and procedures established by the

city, county, state of Arizona, all other states in which the property is located, or if located within SVE, all of its Homeowners Association rules and regulations.

An appraisal of the property by a qualified licensed appraiser, mutually agreed to by both the donor and SVEF, shall be made. Appraisal costs will be addressed on a case-by-case basis. Donors must complete and file IRS form 8283.

All real estate gifts shall be evaluated for the need of an environmental audit. If an audit is determined to be needed, it shall be conducted by qualified environmental professionals as agreed to by the donor and SVEF. The cost of an audit will be addressed on a case-by-case basis. This audit is to determine whether a hazardous substance is or could be present on the property.

If the environmental audit discloses the presence of, or the likely presence of a hazardous material on the property, the transfer of the property's title to SVEF will not be conveyed until satisfactory documentation is provided that city, county, state, and federal environmental authorities have established that such conditions have been remediated. Unless pre-agreed, all environmental cleanup costs will be borne by the donor.

No gift of real estate encumbered by a lien or mortgage will be accepted, unless approved by an "absolute" majority of the SVEF Board of Trustees.

All gifts of real estate will immediately be sold, and the sales proceeds added to the Corpus of the Foundation Investment Account, unless the "Gift Acceptance Committee" recommends to the SVEF Board of Trustees that holding ownership of and professionally managing the property will be in the best interest of the foundation. The sell/hold decision shall be made by the "Board of Trustees."

Prior to the property title conveyance, donors shall be informed of the decision to sell, and must sign a board provided document attesting to their agreement to the sale of the donated property.

Library Materials

All proposed gifts of library materials will be evaluated by the "Gift Acceptance Committee" to determine the "Fair Market Value" and the "Replacement Cost Appraisal" value of donated material. The committee will seek expert advice from book specialist experts who are compliant with "IRS and "Uniform Standards of Professionals Appraisers." (USPAP). Donated library materials will either be (1) immediately sold or put up for auction with a (USPAP) certified firm, or (2) be gifted to qualifying nonprofit organizations through the SVEF Board's grant

writing process. All sales proceeds will be placed in the SVEF's investment account.

Automobiles, Boats, RVs, And Other Qualified Personal Property Possessing A Vin Number

SVEF will not aggressively seek the donation of qualified personal property. It will do so when requested by a donor to assist in the removal and disposal of a qualified asset. SVEF will not act as donor's agent. The "Arizona Humane Society (AHS) will act as the donor's agent. AHS will determine which assets are qualified. Minimum qualification requires the asset to have an unaltered VIN number. AHS will pick up, remove, and sell all qualified assets. AHS will comply with all IRS, Federal and State government regulations in the acceptance and disposition of an asset by a 501(C) (3) foundation.

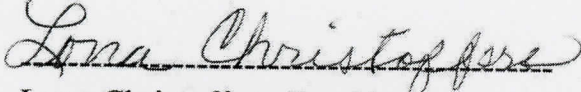
AHS will not accept the sales proceeds as a donation to its organization. For its leadership and services, after completing the sale, AHS will retain approximately 30% of the gross sales proceeds and transfer the remaining net proceeds to SVEF. The gross proceeds from AHS's sale of an asset will be accepted by SVEF to be the IRS defined "Fair Market Value" of the asset and will be the dollar amount SVEF will credit the donor as a charitable donation. SVEF will comply with all required IRS, federal and state regulations in its acceptance of the donation.

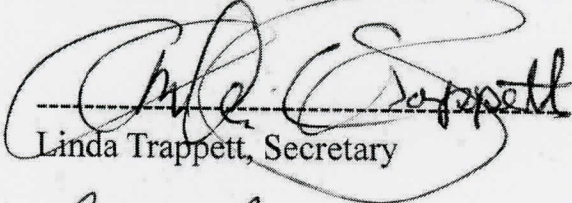
SUMMARY

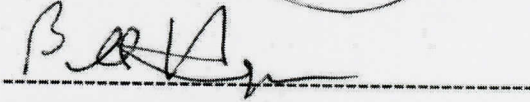
By nature, Gift Acceptance Policies are fluid and dynamic. Since Federal and State laws change, so too must the policies change. When a Federal and/or State statute changes, the affected policy, at the instant the change becomes law, shall automatically change to conform to the new requirements established by the changed statute. At a regularly scheduled meeting, the Board shall formally approve the change of the affected policy. The Board may determine that the law change is not beneficial, but is detrimental, to the Foundation. The Board reserves the right to reject the impact of the change in law and either revamp or remove the affected policy.

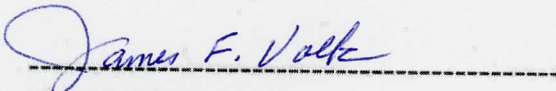
This Gift Acceptance Policy document shall become effective upon approval by a simple majority of The SVEF Board of Trustees.

The Gift Acceptance Policy listed above was accepted by majority vote of the Sunland Village East Foundation's Board of Trustees on April 12, 2024, and is hereby ratified by our signatures:


Lona Christoffers, President


Linda Trappett, Secretary


Bill Hopper, Treasurer


Jim Volk, Financial

The Vice President's position is currently vacant.