

# Keokuk Area Community Foundation

For Good! For Ever!

## Gift Acceptance Guidelines

The Keokuk Area Community Foundation shall accept the following gifts or contributions given in the form of (*cash, stocks, securities, or distributions from IRA's; life insurance policies, matching gifts, grants, property, real estate, farm or ranch land, equipment and bequests from an estate or trust distributions.*)

**Gifts or Contributions from individuals, families, business, corporations, trusts estates, and bequests which are intended to fund (whether partially or fully) Endowments, Donor Advised Funds, Designated Funds, Scholarships, or other forms of permanent endowments:**

In accordance with terms of the Affiliation Agreement between the Keokuk Area Community Foundation (KACF) and the Greater Cedar Rapids Community Foundation (GCRCF), control of the investment or reinvestment of all property and the asset management of the Fund will be exercised by GCRCF, which has legal control of the assets acting on behalf of KACF.

The assets of the Fund, like all other permanent assets of the Foundation, will be professionally managed with the long-term objectives of safeguarding principal, increasing the principal through long-term total return, and generating income for charitable distributions.

To attain these objectives, the remainder of the growth after authorized distributions and expenses will be added back to the principal. Professional consulting and brokerage fees will be allocated pro-rata over all Funds participating in the endowment of GCRCF.

**Grant recommendations** from the income distributed on an annual basis of all endowed funds or scholarships and donor advised and designated funds reside with donor(s) and the maintenance of all records and administration of each particular fund rests with GCRCF as part of the Affiliation Agreement between KACF and GCRCF.

### **Agency Funds (Endowed):**

KACF will accept endowed funds from other charitable organizations in the three county area primarily served by KACF. As these funds are, likewise, endowed funds, they shall be transferred to the Greater Cedar Rapids Community Foundation. Such funds shall then be subject to the terms of the same Affiliation Agreement between the



Keokuk Area Community Foundation (KACF) and the Greater Cedar Rapids Community Foundation (GCRCF) that governs placement of endowed funds of KACF as detailed above.

**Grant recommendations** reside with the agency transferring the funds to KACF and the maintenance of all records and administration of each particular fund rests with GCRCF as part of the Affiliation Agreement between KACF and GCRCF.

**Non-Endowed Funds:**

**Definition:** A Non-Endowed Fund is established by donors who intend on distributing all of the dollars contributed to KACF through grant recommendations made on a monthly, quarterly, or annual basis as provided by the donor(s). KACF shall only accept such funds in those instances where, in the opinion of the Executive Director or Officers of the Board, acceptance will help fulfill the mission of KACF and as further delineated below.

It is always the intent of KACF to encourage donor(s) to fund endowed funds as defined within these guidelines but KACF always encourages charitable giving in its many forms.

**Non-Endowed Funds in Excess of \$50,000 with an Expected Life of at Least Five Years:**

For a fund of this nature, investment responsibility will be given to the Finance Committee of the Board of Directors of KACF who will contract with a reputable national organization like (*The National Philanthropic Trust NPT*) for the investment and administrative management of the fund.

KACF investment decisions would be guided by policy that, amongst other things, would comply with general guidelines which may be provided by the donor(s) (conservative, balanced, or aggressive) and reviewed by the Finance Committee on a regular basis.

Grant recommendations reside with donor. Distributions will be to non-profit organizations, churches, schools, health care organizations (*all of whom are 501 c (3) organizations*) within a specific time-frame defined by the Fund Agreement. Maintenance of all records and administration of each particular fund rests with the organization contracted to manage the fund.

**KACF will only accept funds to establish a Non-endowed Fund when the Donor(s) have no interest in actively managing investment of the fund.**



**Donor(s) seeking to actively manage investment of a non-endowed fund(s):** It will be the responsibility of the Executive Director or Officers of the Board to decline to accept such gifts or contributions to fund such a non-endowed fund and it will be the responsibility of the Executive Director or Officers of the KACF Board to help guide the donor to a donor advised program, where the donor, not KACF, is the account holder.

**Non-endowed Funds from \$10,000 up to \$50,000:**

There will be rare occasions that donor(s) will request KACF to establish a non-endowed fund for a stated period of time. The intent of these funds will be distributions over a short period of time (1 to 5 years) to non-profit organizations, churches, schools, health care organizations (*all of whom are 501 c (3) organizations*) within a specific time-frame defined by the Fund Agreement. (*Usually these funds are accepted to permit a donor to make distributions anonymously.*)

Generally these kinds of funds should only be accepted by the Executive Director or the Officers of the KACF Board if in the judgment of the Executive Director the acceptance of such funds will likely lead to receipt of significant endowments from the donor(s) at some future date.

These funds will be deposited in local bank savings accounts. Grant recommendations reside with donor(s). Maintenance of all records and administration of each particular fund rests with KACF and it is expected that KACF will charge a portion or all administrative costs to the Fund.