

## SVC Foundation Gift Acceptance Policy Revised 12/04/2020

### Introduction

The SVCF Foundation accepts lifetime and testamentary gifts of appropriate value with the understanding that each gift shall be dedicated to advancing the Foundation's charitable purposes; primarily, but not limited to, the Foundation's scholarship grant making.

### Tax Status and Applicable Law

The Foundation is an organization which is exempt from federal income taxation by reason of being an organization described in 501(c)(3). Further, the Foundation is a Virginia not-for-profit corporation. It is the intent of the Foundation to maintain the tax status described in this paragraph and to comply with the statutes applicable to it as a Virginia not-for-profit corporation as well as any other applicable state or federal law. Therefore, anything herein to the contrary notwithstanding, no gift shall be accepted, held, administered, or disposed of in a manner which is inconsistent with the Foundation maintaining said tax status or which is inconsistent with state or federal laws.

### Purpose of Gifts

The purpose of all gifts to the Foundation must relate to the fulfillment of the Foundation's charitable purposes as set forth in Appendix A attached hereto. Donors to the Foundation may designate or restrict the charitable purposes of gifts as long as such designations or restrictions are in keeping with the Foundation's charitable purposes. The purposes of a gift to the Foundation, and the procedures for its administration, if any, shall be defined in a letter of agreement signed by the donor and approved by the Foundation Board. In accordance with tax rules, to maintain the deductibility of the contributions, the organization to which the contributions are made (SVCF) must have authority over the ultimate disposition of the funds. The Foundation endorses and subscribes to A Donor Bill of Rights as set forth in Appendix B attached hereto.

### Gift Acceptance Policies

This policy has been adopted by the Foundation to inform, serve, guide, or otherwise assist donors who wish to support the Foundation's work and advance its charitable purposes. This policy is not intended under any circumstances to pressure or unduly persuade a potential donor or current donor to contribute to the Foundation in any specific manner. This policy does not constitute the provision of tax or legal advice of any kind or nature and donors may not rely, in part or in whole, on any provisions of this policy in determining the tax consequences of a gift to the Foundation. All donors to the Foundation will be encouraged and expected to seek independent legal and tax advice with respect to the tax implications of contributions made to the Foundation. Such advice

should be sought at donor's expense from an advisor of the donor's in the hope that the donor will receive full and independent advice regarding the donor's gifts to the Foundation and the likely tax and legal consequences thereof.

This policy will be made publicly available for review, and a copy shall be provided to any potential donor requesting it. All correspondence with potential donors should provide it, or indicate where it can be found for review.

The policy shall be reviewed at least once per year by the SVC Foundation Board to consider any changes thereto which may be necessary or desirable in achieving the Foundation's charitable purposes and maintaining its desired tax status.

### Confidentiality

All non-public information concerning donors and prospective donors shared by the donor with the Foundation shall be held by it in confidence, except for information which is required to be disclosed in connection with the Foundation's tax filings or which is lawfully requested by a state or federal government, with an agency or instrumentality thereof, or required to be disclosed in any court or administrative proceeding. Notwithstanding the foregoing, it will be the policy to publicly acknowledge donors by name in a summary list reflecting the magnitude of their donations in broad categories, unless a donor specifically requests anonymity.

### Procedures for Review of Gifts

A. The Foundation shall consider the following factors in accepting all gifts. • Applicable federal and state law • Economic consequences to the Foundation of a gift. • Preservation of the Foundation's tax status. • 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. • The nature of any restrictions or conditions on the gift and the implications thereof on the fulfillment of the Foundation's charitable purposes. • 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.

B. Gifts accepted without formal review. The Foundation shall accept, without formal action or review, gifts consistent with its charitable purposes and Bylaws, except as set forth in Paragraph C, below, if any of the gifts are in the following forms: • Cash; • Checks, wire transfers or other forms of cash transfer; • Marketable Securities – Stocks, Bonds, and other securities commonly considered to be readily marketable; and readily marketable; and

• Bequests or other distributions from charitable remainder trusts, charitable lead trusts, or charitable gift annuities, if such distributions are in the form of cash, cash equivalents, or marketable securities.

C. Gifts subject to formal review. The Foundation shall review gifts of any asset type (cash, checks, or marketable securities) when subject to conditions or restrictions. The Board will review the proposed

conditions or restrictions and it must determine that they are not inconsistent with the fulfillment of the Foundation's charitable purposes, applicable state or federal law, or the Foundation's desired tax status.

D. Gifts of a form not outlined in (B). Gifts not in the form of cash, cash equivalents, or marketable securities are outside the purview of this policy, and their acceptance will be considered on a case by case basis with appropriate legal counsel.

**Gift Acceptance Procedure Cash and Cash Equivalents** Gifts of Cash and Cash equivalents should be transferred to the Foundation. Any restrictions or conditions will be in writing and be signed by both the donor and the Foundation. In some cases, the nature of the gift will be determined by the context of the gift. For example, donations made by members accompanying their SVC membership or its renewal will go to the general fund; donations in the course of a promotional event such as a 5K run will either go to the general fund or to another fund as announced at the event.

**Checks** Gifts in the form of a check should be made payable to the "SVC Foundation," with a notation on the check indicating the purpose of the gift. Checks with an undesignated purpose will be placed in the SVC Foundation general fund, or, if received in the context of a promotional event, in the appropriate fund. Any applicable restrictions or conditions which apply to the gift, and which have been accepted by the Foundation, shall be set forth in a written instrument signed by both the donor and the foundation.

**Marketable Securities** Publicly traded stocks, bonds and other marketable securities may be electronically transferred, registered in the name of the Foundation, or conveyed through the use of a stock power form. The Foundation will accept interests in mutual funds. The Foundation must be notified in advance of such transfers and provided with a written document from 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 generally sell these securities within a reasonable time of their receipt. Stock controlled under SEC Rule 144 will be held until the restriction on sale expires and will usually be sold within a reasonable time of said expiration. Gifts of bonds that require a holding period may be accepted and usually be cashed within a reasonable time of the expiration of the holding period.

The Foundation generally will not accept any security which, in any way, may create a liability to the Foundation; may not be assigned (such as series E savings bonds); and those which have no apparent value.

Revised and approved by the Board of Directors December 4, 2020