

Swiss Village, Inc. Gift Acceptance Policies

I Purpose

I.1 Guidance

This gift acceptance policy represents the practices of Swiss Village, Inc. governing the solicitation and acceptance of gifts by Swiss Village and their representatives. The Board of Directors at Swiss Village and its staff solicit current and deferred gifts from individuals, corporations, foundations, and others for purposes that will further and fulfill the mission of Swiss Village. Purposes for this policy include:

- Guidance for the Board of Directors, officers, staff, and other constituencies with respect to their responsibilities concerning gifts, practices, and acceptances to Swiss Village
- Guidance to prospective donors and their professional advisors when making gifts to Swiss Village

The provisions of this policy shall apply to all gifts received by Swiss Village for any of its programs and services, including Swiss Village, Kinder Haus, and the Arthur and Gloria Muselman Wellness Pavilion. Swiss Village reserves the right to revise or revoke this policy at any time, and for the Board of Directors to make exceptions to the policies. Swiss Village is a registered 501(c)(3) organization. Gifts to Swiss Village may be eligible for tax incentives.

I.2 Swiss Village, Inc. Mission Statement

Swiss Village Retirement Community is a not-for-profit corporation committed to providing quality services and affordable facilities in a Christian environment that enhances life with dignity, meaning, and opportunities for growth.

2 General Policies

2.1 Gift Acceptance & Refusal

Acceptance of any contribution, gift, or grant is at the discretion of Swiss Village and/or the Board of Directors. Swiss Village will not accept gifts that:

- Cannot be used to further the mission, vision, values, and programs of Swiss Village
- Are too difficult or expensive to administer
- Could damage the reputation of Swiss Village, Kinder Haus, and/or the Arthur and Gloria Muselman Wellness Pavilion

All gift solicitations must be approved by the Director of Development, Executive Director, or the Swiss Village Board of Directors. Each of the aforementioned individuals must be aware of all fundraising campaigns and are the only ones who may accept or revoke a gift. Gifts may be solicited by other staff members or consultants if the Board of Directors or Executive Director would approve. All final decisions on the acceptance or refusal of a gift shall be made by the Swiss Village Board of Directors. The Board is the only body that can make deviations to any of the gift acceptance policies.

Gifts with a value over significant value including cash, investments, and property must be approved by Swiss Village's Executive Director before they can be accepted. The gift might require further approval by the Board of Directors.

Gifts or contributions received from sources that are not transparent or gifts or contributions received from individuals or organizations involved in legal or moral issues will have to be reviewed by the Swiss Village Board of Directors before a gift can be accepted.

2.2 Protection of Donor's Privacy

Information learned by any representative of Swiss Village about a donor or the donor's assets or philanthropic intentions shall be held in strict confidence. If any information about a donor's giving will be shared the donor will be asked for consent. The exception will be for memorial gifts. Donors giving to memorial gifts will be listed in The Village News along with who the gift was given in memorial for without any amounts listed unless Swiss Village is otherwise told.

All information kept in Swiss Village's donor database will be considered confidential information. Access to this information will only be granted to staff members who need access due to their position at Swiss Village. Donors will also have access to their profile in our database by request. Swiss Village will not sell donor information including address, phone number, and email.

2.3 Protection of Donor's Interests

A donor shall not be encouraged to make a gift which is inappropriate, in light of the donor's personal or financial situation. No irrevocable gift, whether outright or life income in character, will be accepted if under any reasonable set of circumstances would foreseeably jeopardize the donor's financial security. A donor may expect any representative of Swiss Village to reflect dignity and respect the charitable purposes of Swiss Village. Swiss Village has adopted the Association of Fundraising Professionals' Donor Bill of Rights.

Swiss Village will not compensate, whether through commissions, finders' fees, or other means, any third party for directing a gift or a donor to Swiss Village.

2.4 Use of Financial or Legal Counsel

Swiss Village employees and volunteers serving in fundraising roles should not act as a donor's financial or legal advisor. All persons or organizations wishing to make a charitable gift to Swiss Village are encouraged to consult with their own financial or legal advisor. If a conflict should occur between the interest of a financial or legal advisor and a donor, Swiss Village will instruct the advisor to disclose this conflict of interest. It would then be up to the donor to decide if he or she wishes to use this advisor or find another based on the circumstances.

Swiss Village will seek legal or financial guidance for gifts of closely held stock, to review transactions governed by contracts or other legal documents, if there is any potential conflict of interest, or when the Swiss Village Board of Directors believes that further legal or financial guidance is appropriate.

2.5 Valuation of Gifts

Swiss Village shall record gifts received at their valuation on the date of gift, except that, when a gift is revocable, but is not due until a future date, the gift may be recorded only at the time the gift becomes irrevocable.

3 Planned Giving

3.1 General Policies

Swiss Village will only write and manage charitable gift annuities, all other planned gifts will need to be written and managed by a financial or legal advisor qualified to write each planned gift. Swiss Village Development Staff will assist donors and their advisors in writing these gifts but Swiss Village is unable to

manage these types of gifts. If a donor does not have a financial or legal advisor Swiss Village staff will assist you in finding someone qualified to write these types of gifts. This would include, but not limited to:

- Bequests
- Charitable Remainder Unitrusts
- Retirement Accounts
- Life Insurance

Donors are encouraged to seek the guidance of a financial or legal advisor of their choosing for all planned gifts, whether Swiss Village will be writing the gift or not.

If donors decide to make a planned gift to Swiss Village, they will be eligible to become a member of the Swiss Village Bethesda Club. Donors can opt to be a full member, anonymous member, or refrain from joining the club. No matter the decision Swiss Village encourages donors to let Swiss Village know of their planned gift intentions that include Swiss Village, Kinder Haus, and/or the Arthur and Gloria Muselman Wellness Pavilion. This will help Swiss Village in future planning.

3.2 Bequests

When donors have made a bequest including Swiss Village or any of its subsidiaries, donors are encouraged to let Swiss Village know. Swiss Village will assist in covering \$75 of the legal fees associated with changing or writing a will to include Swiss Village. Donors should inform Swiss Village of any bequests so that Swiss Village can ensure the donor's gift can be accepted and that Swiss Village can honor the intent in how the donor wants the gift to be used. If a donor's gift will be restricted the gift will follow the policies outlined in the gift acceptance policies in the restriction section.

It is important to recognize that the needs, policies, and circumstances of Swiss Village can change in the future following the establishment of a bequest. If a bequest was made to a specific fund or endowment that is no longer in existence Swiss Village will use the funds in a way that closest fits the intent of the donor. If there is no fund considered to be close in relation to the formerly established fund the Swiss Village Board of Directors will determine how the gift shall be used. If a situation should arise that a donation cannot be used in the way the donor intended, Swiss Village will attempt to get in contact with the donor or next of kin to inform them of the change. Donors wishing to leave a bequest can include the following contingency clause in their bequest to help mitigate this situation:

"If in the opinion of Swiss Village, all or part of the funds cannot be applied in strict conformance with the purpose(s) previously stated, Swiss Village may use these funds for other appropriate purposes as nearly aligned to the original intent of the donor as good conscience and need dictate within the authorized powers of Swiss Village."

3.3 Charitable Gift Annuities

Swiss Village will only write a charitable gift annuity with a minimum gift of \$5,000. The minimum age for life income beneficiaries of a gift annuity shall be 60. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries shall be 50. No more than 2 life income beneficiaries will be permitted for any gift annuity. Swiss Village will follow the American Council on Gift Annuities (ACGA) rates for all annuities written at Swiss Village. Charitable Gift Annuities can be funded using cash or securities. Swiss Village Board of Directors is the only governing body that can approve deviations from these set limits.

Annuity payments will be made semi-annually. Payments will be made on June 1 and December 1. These payments are a general obligation of Swiss Village, Inc. and they are backed by all of its assets. The reserve funds for Charitable Gift Annuities are invested in accordance with applicable state insurance laws.

Gift Annuities are not considered to be outright gifts and will have a different valuation for the donor Wall of Honor. Gift Annuities will be valued at 50% of the given amount for purposes of the Wall of Honor.

Swiss Village is only able to write Charitable Gift Annuities in the state of Indiana. If you wish for Swiss Village to write a gift annuity in another state this will have to be approved by the Swiss Village Board of Directors and proper filings will have to be made before this can be written.

3.4 Life Insurance Policies

It is Swiss Village's practice to accept gifts of life insurance. Swiss Village, however, will not accept life insurance policies that require Swiss Village to accept a donor's premium payment as a gift. Swiss Village will accept life insurance policies where they are listed as the beneficiary or contingent beneficiary.

4 Tangible Gifts

4.1 Property, Personal Property, In-Kind Gifts, Non-Liquid Assets

Gifts of real property, personal property, in-kind gifts, and non-liquid assets must be reviewed by the Swiss Village Board of Directors prior to acceptance due to the special obligations raised or liabilities they may pose for Swiss Village. Swiss Village may request additional information in order to fully evaluate these types of gifts. This could include, but is not limited to:

- Appraisal at the cost of the donor
- Proof of ownership
- Disclosure of any limitations or encumbrances
- Statement of carrying costs related with property
- A site visit with a real estate professional
- Environmental Review
- Title Binder at the cost of the donor

The only exception to this policy is items that are listed on the Swiss Village Wish List. Tangible gifts that are on the Wish List will be reviewed by appropriate staff in the location where the gifts will be used along with the Director of Development.

If a donor wishes to donate a tree to Swiss Village the donor may request a tree type and location but this must be approved by Swiss Village, not all requests will be able to be granted. The tree must be purchased and installed from a Swiss Village approved arborist. If the donor wishes for a plaque to be placed at the base of the tree this will be allowed for one year. After one year has gone by the plaque should be removed by the donor if they wish to keep it. If the plaque is removed by Swiss Village it will not be returned to the donor. All costs will be the responsibility of the donor.

5 Securities

5.1 Publicly Traded Securities

It is Swiss Village's practice to accept securities that are publicly traded. The Swiss Village Board of Directors will decide if gifts of securities should be sold or kept. Donors cannot specify that Swiss Village hold onto a security for any length of time.

5.2 Closely Held Securities

A gift of closely held securities must be approved by the Swiss Village Board of Directors before it can be accepted. Swiss Village will consult with legal and/or financial counsel to ensure that the gift will benefit Swiss Village. The Swiss Village Board of Directors will need to examine the face of the stock certificate to determine if the security is subject to any restrictions, such as the sale of the security. The value of this gift will be determined by an independent appraisal at the cost of the donor.

6 Restricted Gifts

6.1 Approved Restrictions

Swiss Village wants to always honor the intent of the donor relating to his or her gift. Gifts that are restricted to the following funds are the only restricted gifts that can be accepted without prior approval from the Board of Directors as long as all other criteria for Board approval are acceptable. If a donor would choose to make a restricted gift outside of these funds approval would be needed by the Swiss Village Board of Directors.

- Samaritan's Endowment Fund
- Kinder Haus Endowment Fund
- Arthur & Gloria Muselman Wellness Pavilion
- Plant Fund
- Special Purpose Fund
- Swiss Village Wish List

Unrestricted memorial gifts will be placed in the Samaritan's Endowment Fund. If a donor wishes for the funds to be used for another project or fund, the donor should state this in the memorial gift.

6.2 Restricted Gift Use

If for some reason a restricted gift cannot be used in the way a donor intended Swiss Village will attempt to contact the donor or next of kin. The gift will either be returned if the donor chooses, or used, with permission, in a similar fund or where most needed. If Swiss Village is unable to reasonably contact the donor or next of kin the donation will be distributed by the Swiss Village Board of Directors to the most similar project or fund if applicable. If there is no fund that is considered to be similar in nature the funds will be distributed as the Board sees fit.

6.3 Named Endowments

A donor, or group of donors, may contribute and name a fund or endowment and restrict the use of the income or principal of the fund. These named funds/endowments require a minimum contribution of \$50,000 and are subject to the Swiss Village Board of Directors approval. The donors would have to show the Board the need for this fund and the long-term sustainability of the program.

7 Gift Agreements

7.1 General Gift Agreements

Where appropriate, Swiss Village shall enter into a written gift agreement with the donor, specifying the terms of any restricted gift, which may include provisions regarding donor recognition.

7.2 Pledge Agreements

Swiss Village will accept multi-year pledges for funds and projects. Any pledge made by a donor for future support of Swiss Village, including by way of matching gift commitments, shall be contingent upon the execution and fulfillment of a written charitable pledge agreement specifying the terms of the pledge, which may include provisions regarding donor recognition.

8 Acknowledgement

8.1 IRS Acknowledgement

Swiss Village will provide written acknowledgement for gifts received over a \$50 one-time gift. Swiss Village will comply with all Internal Revenue System (IRS) requirements in regards to gift acknowledgements. Swiss Village will also provide acknowledgments to donors meeting IRS substantiation requirements for property received by the charity as a gift. However, except for gifts of cash or publicly traded securities, no value shall be ascribed to any receipt or other form of substantiation of a gift received by Swiss Village.

8.2 Donor Wall of Honor

Donors who give over \$50,000 in their lifetime are eligible to be recognized on the Swiss Village Wall of Honor. Recognition will be made once the donor reaches the \$50,000, \$100,000, or \$1,000,000 mark in donations. Swiss Village will ask permission from all donors before their name is placed on the Wall of Honor. Donors who reach \$50,000 will have their name printed on the wall. Donors who reach \$100,000 will have their signature placed on the wall. Donors who reach \$1,000,000 will have their signatures placed on the wall with a star. The only planned gift that will count towards the Wall of Honor during a person's lifetime is a Charitable Gift Annuity. Swiss Village will value the Charitable Gift Annuity held by Swiss village at 50% of the donated value.

8.3 Bethesda Club

Planned gifts of a bequest, charitable gift annuity, charitable remainder unitrust, retirement account, or life insurance will be recognized through the Swiss Village Bethesda Club. Every donor who makes one of the previous planned gifts is eligible to become a member of the Bethesda Club if he or she chooses.

8.4 Memorial & Honorarium Gifts

All memorial or honorarium gifts will be acknowledged in The Village News. Only the name of the donor and the person being memorialized or honored will be listed. Swiss Village will not publish amounts given. Swiss Village will also notify the family that a gift has been made to memorialize or honor them or a loved one.

8.5 Anonymity

Donors may choose to remain anonymous in their charitable giving to Swiss Village. Swiss Village will respect the intent of the donors relating to this desire. Swiss Village will restrict information about the donor to only those staff members who need to know this information to complete their job.

9 Changes & Deviations

9.1 Changes

This gift acceptance policy was reviewed and accepted by the Swiss Village Board of Directors on 04/04/2014 which has the power to modify this policy at any time. All deviations from this policy must be approved by the Swiss Village Board of Directors.