



# Community Foundation *of the* Dan River Region

541 Loyal St · Danville, VA 24541 · 434.793.0884 · [www.cfdr.org](http://www.cfdr.org)

## EXECUTIVE COMMITTEE MEETING MINUTES

**March 3, 2025**

**Present:** Steve Bass, Scott Barnes, Kerri Burchett, Vince Kania, William Riddle, Danielle Montague, Sheila Williamson-Branch.

**Staff:** Dan Hayes

**Call to Order and Welcome.** Steve Bass, President, brought the meeting to order at 3:33 PM

**Approval of Minutes for November 25, 2024 Meeting:** Steve asked for the minutes from the last meeting to be approved. They were approved on a motion by Burkett/Riddle with no discussion.

**Old Business,** Steve asked that we discuss the CFDRR Special Initiatives Fund – this fund will be funded by overage from fees paid by the pool of funds (excess administrative fees and payout from Board Endowment Fund) for operations. The pool of funds would be identified on the budget for the next succeeding year when the excess administrative fund for the current year is determined on or after April 2 of each year. Distribution would not be part of the competitive grant process. Staff would have responsibility to identify or invite strategic projects and bring those to the Distribution Committee for approval at a regularly scheduled meeting of the Committee. The funds from which distribution is made would have been approved by the Board as part of the annual budget for the Foundation, and distribution approved by the Distribution Committee as part of its quarterly report for the Board at the Board's next scheduled meeting. Before presenting this process to the Board, Dan will create an attachment with a sample timeline. The timeline will be circulated to the Executive Committee. Fund approved pending that timeline on a motion by Kania/Barnes.

**Treasurer's Report.** Sheila Williamson-Branch, Treasurer, reported on the highlights of the financial reports. There was no questions or discussion.

**Finance Committee Report,** Bill Riddle, Committee Chair, shared that finance committee met on Feb 10 and discussed

- Marshall Trust Update, hoping all distributions will be complete in this calendar year.
- FY 2026 Spending Policy presented and is ready for board approval.
- Cash Availability Statement, presented. The statement included moving \$1.2 million to fixed income and \$800 thousand to international funds at Vanguard.
- Policy recommendation for Board approval: Statement of Investment Policy; Financial Policies and Procedures. Some changes were made by the committee with a recommendation to the board.
- There were no questions.

**Governance Committee Planning** Scott Barnes, Committee Chair, reviewed names that are being approached to prepare for the meeting on April 22. Steve appointed Vince be added to the Governance Committee.

**Distribution Committee Report**, Danielle Montague, Committee Chair, reported on intent of quarterly payments for the board meeting. Several items

**Updates**, Dan Hayes, Executive Director, shared updated documents

- Bylaws – The bylaws as reviewed by staff, were presented. The most change was around clarifying the procedure for managing the annual Audit. The committee asked for changes in 4.13 and re-review of the committee before sending for review by legal counsel. Scott Barnes agreed to provide a re-write of section 4.13. Steve asked us to include in 3.7 that if an attendee required to retain a quorum leaves the meeting after quorum is declared, their vote will be presumed in the affirmative unless written objection to any issue voted upon after their departure is filed with the Executive Director within 24 hours following adjournment of the meeting.
- Scholarship Agreement Template and Donor Advised Fund Template were presented for review. Agreement documents are continuously updated, and the committee was asked to review the starting point.

**Strategic Plan Progress Report**, the strategic plan is moving forward. Dan and Scott met to review the process. A good presentation was not prepared, Dan committed to having a better review at the next Executive Committee meeting.


**30<sup>th</sup> Anniversary Planning**, the 30<sup>th</sup> Anniversary of The Foundation is Sept 4, 2026, Dan asked for opinions on how the event should be presented. The request comes now because if events should be planned for Q3 and Q4 of the next fiscal year, we need to include them in the budget. Dan's recommendation is to do a series of events within the FY 27 budget.

**Activity Report**, Dan Hayes referred to the activity report in the pre-meeting packet and picked out the following highlights:

- AkoyaGO—The process is going well. It was recommended that staff double-check that the system will roll into the new year and tie out every seven years.
- Board giving participation rate is 68%. Staff giving participation rate is 100%
- Dan has made multiple trips to Halifax to increase our exposure in the area.
- The Federal Reserve Bank of Richmond has a Rural Initiative to increase the number of Federal and State grants that are awarded in rural areas. Currently representing our area in the program is Wendi Everson. There is also a drive among local foundations to fund this program. The Harvest and Danville Regional Foundation both have contributed funds to support the effort. We have been asked to also provide funds any level from 5K to 25K. The consensus is that our area is covered, we will not contribute at this time.

**Closed Session for Executive Director Performance Review**

**Adjournment**, Steve adjourned the meeting at 5:30 PM

Approved by 

Steve Bass, President

**Next Meetings:**

**March 12, 3:00 PM - Distribution Committee**

**March 17, 4:00 PM – Quarterly Board Meeting**

**April 22, 12:00 PM – Governance Committee**

**June 2, 3:30 PM – Executive Committee**

# **CFDRR Financial Statement Analysis**

## **As of March 31, 2024**

### **Balance Sheet/Statement of Financial Position**

- Asset size has increased approximately \$4 million since 6/30/2024 primarily due to market value increase and a \$3 million donation to the Marshall Fund in December.
- Due to market volatility in April, the asset value has fluctuated significantly and may continue to do so.

### **Profit & Loss Statement/Statement of Activities**

- This report reflects the consolidated activity for all funds including endowed and non-endowed as well as the operational activity for the Foundation.
- Gifts and Bequests are down from last year at this time primarily due to donations received for the Marshall Fund in FY24.
- Total revenue was down from this time last year because of the previous statement above and the market downturn resulting in unrealized losses.
- Interest/Dividend Income and retained earnings increased approximately \$700,000 since the last fiscal year at this time.
- The FMV of securities decreased in March resulting in \$2.4 million of unrealized loss for the month but is an overall increase of \$1.3 million for the fiscal year ending 3/31/2025.
- The increase in investment management fees over last year is attributable to the fees assessed by Harbourvest and Wells Fargo. Harbourvest is a timing issue, and the Wells Fargo investment accounts were not open in 2023.
- Administrative fees paid by funds are higher than last year because of increased asset size.
- Salary expenses are up from last year because of the increase in staff.
- Expenses for accounting services are down from last year because we no longer employ a contract accountant.
- Credit balances in expense accounts for the current month are the result of reclassing expenses with the addition of expense accounts for Donor Services & Receptions, Development & Strategic Initiatives, IT/Server Expense and Website Design & Maintenance.
- Software expenses increased over last year due to \$32,000 in implementation fees paid to Akoyago.

### **Administrative Budget vs. Actual Monthly**

- We are on target to have more total revenue for the Admin Fund than budgeted for FY25 because of additional interest and dividend income as well as increased administrative fees received from funds (projected to be \$636,000 for FY25).
- Project Grant Expense includes expenses that will be reimbursed before the end of the fiscal year from DRF through our Capacity Development Grant.
- We are on target to be on or under budget for most expense categories except Donor Services & Receptions, Software and Investment/Bank Fees.

**Financial Statement Consolidated**  
**Community Foundation of the Dan River Region**  
**Profit & Loss Statement/Statement of Activities**  
**For the Nine Months Ending 3/31/2025**

	Current Month 3/31/2025	YTD - Current 3/31/2025	YTD - Prior Year 3/31/2024
<b>REVENUES</b>			
Gifts & Bequests (Historic)	37,257.28	3,375,643.43	11,695,898.88
Gifts & Bequests (Avail)	1,636.00	310,177.96	309,001.00
Inter-fund Gifts (Historic)	16,642.00	22,804.23	22,438.90
Inter-fund Gifts (Avail)	609.00	72,970.00	21,528.00
Special Grant Income	0.00	0.00	0.00
Ordinary Income	0.00	0.00	40.00
Interest/Dividend Income	216,488.87	1,037,671.28	821,941.62
Realized Gain/Loss	28,164.14	504,802.81	11,254.20
Unrealized Gain/Loss	(2,387,233.87)	1,265,884.99	5,399,712.87
Misc Revenue	0.00	0.00	0.00
Administrative Fees Received by CFDRR	12.72	478,474.59	408,924.73
	<hr/>	<hr/>	<hr/>
Total Revenues	<b>-\$2,086,423.86</b>	<b>\$7,068,429.29</b>	<b>\$18,690,740.20</b>
<b>TRANSFERS</b>			
Spend Policy Transfers-Net Earnings	0.00	1,712,397.00	1,623,442.00
Spend Policy Transfers-Available	0.00	(1,712,397.00)	(1,623,442.00)
Transfers - Historic Gifts	0.00	0.00	0.00
Transfers - Available	0.00	0.00	0.00
	<hr/>	<hr/>	<hr/>
Total Transfers	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>EXPENSES</b>			
Grants Voted	200,525.28	1,985,420.74	1,840,479.24
Investment Mgt. Fees	6,227.26	139,289.52	112,022.15
Administrative Fees Paid by Funds	12.72	469,995.59	401,807.56
Salaries	22,005.48	208,123.02	156,511.68
Employee Benefits	4,747.70	37,013.44	28,620.94
Insurance	(107.51)	8,553.03	8,528.04
Utilities and Fuel	321.92	3,087.15	2,735.41
Telecommunications	315.36	2,852.38	2,651.98
Legal & Consult. Services	0.00	0.00	25.00
Accounting Services	466.00	19,690.75	35,224.63
Office Supplies	77.01	1,575.98	1,994.11
Mailing Expense	214.99	4,160.72	3,714.15
Building Maintenance	130.00	4,120.88	6,288.53
Promotion/Marketing/Advertising	(5,793.00)	2,936.08	17,020.29
Donor Services & Receptions	0.00	16,156.06	6,796.79
Development & Strategic Initiatives	6,014.88	6,014.88	0.00
Project Grant expense	8,560.00	8,560.00	2,433.00
Printing & Reproduction	91.05	1,120.84	1,174.54
Dues & Subscriptions	1,008.00	3,052.00	3,842.00
Software	6,229.61	71,812.25	45,492.16
IT/Server Expense	1,109.32	10,430.00	0.00
Website Design & Maintenance	150.00	1,445.88	1,350.00
Meetings	347.43	1,072.14	2,063.04
Board Development	(255.60)	1,332.06	0.00
Staff Training	143.74	504.42	1,027.00
Conference and Travel	0.00	474.26	238.07
Furniture & Equipment	0.00	116.00	3,158.52
Bank Fees	176.10	983.10	567.60
Licenses & Permits	0.00	75.00	50.00
Other Expenses	500.00	500.00	213.36
Depreciation Expense	1,091.61	9,824.46	10,660.41
	<hr/>	<hr/>	<hr/>
Total Expenses	<b>\$254,309.35</b>	<b>\$3,020,292.63</b>	<b>\$2,696,690.20</b>
<b>Net Activity</b>	<b>-\$2,340,733.21</b>	<b>\$4,048,136.66</b>	<b>\$15,994,050.00</b>

**Financial Statement Consolidated**  
**Community Foundation of the Dan River Region**  
**Balance Sheet**  
**Statement of Financial Position**  
**3/31/2025**

	Month Ending 3/31/2025	Previous FY Ending 6/30/2024	Previous Year Ending 3/31/2024
<b>ASSETS</b>			
Petty Cash	93.85	94.58	100.00
Checking	241,191.04	211,051.20	21,981.81
Credit Card Checking	7,510.57	11,806.19	1,701.35
Non Endowed Money Market	111,532.65	577,876.64	654,654.39
Certificate of Deposit	118,760.03	113,257.37	113,005.97
Life Insurance	19,024.75	17,988.87	16,963.21
Investment Management Account #2	1,281,752.50	3,414,013.31	3,202,132.25
Investments in Equity Pool - Endowed	67,921,219.54	61,305,513.60	61,504,894.38
Prepaid Expenses	15,430.80	16,249.69	27,924.99
Furniture and Equipment	33,579.02	33,579.02	33,579.02
Accum. Depreciation-Furniture	(33,559.70)	(33,501.73)	(33,455.32)
Computer Equipment	21,334.29	21,334.29	21,334.29
Accum. Amortization - Computers	(21,135.33)	(20,538.47)	(20,087.96)
Real Estate - Office	323,014.18	323,014.18	323,014.18
Accum. Depreciation - Office	(218,479.47)	(209,309.84)	(206,253.29)
Accrued Interest	52,320.26	36,860.42	39,967.37
<b>Total Assets</b>	<b>\$69,873,588.98</b>	<b>\$65,819,289.32</b>	<b>\$65,701,456.64</b>
<b>LIABILITIES</b>			
Grants Payable	6,163.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>6,163.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FUND BALANCES</b>			
Fund Balance - Historic Gifts	56,750,437.31	53,351,989.65	53,121,023.62
Fund Balance - Net Earnings	11,248,484.81	10,784,727.30	10,923,051.71
Fund Balance - Available	1,868,503.86	1,682,572.37	1,657,381.31
<b>Total Fund Balances</b>	<b>69,867,425.98</b>	<b>65,819,289.32</b>	<b>65,701,456.64</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$69,873,588.98</b>	<b>\$65,819,289.32</b>	<b>\$65,701,456.64</b>

**Financial Statement Consolidated**  
**Community Foundation of the Dan River Region**  
**Administrative Budget vs. Actual Monthly**  
**Statement of Activities**  
**For the Nine Months Ending 3/31/2025**

	Current Month	YTD - Actual	Budget v. Actual	Annual Budget
<b>REVENUES</b>				
Gifts & Bequests Available	1,000.00	2,700.00	(4,550.00)	7,250.00
Interfund Gifts Available	609.00	22,970.00	(391.00)	23,361.00
Ordinary Income	0.00	0.00	0.00	0.00
Interest and Dividend Income	3,417.33	37,913.18	3,913.18	34,000.00
Realized Gain/Loss	0.05	4.22	4.22	0.00
Unrealized Gain/Loss	111.45	1,796.39	1,796.39	0.00
Miscellaneous Revenue	0.00	0.00	0.00	0.00
Admin Fees	12.72	478,474.59	(14,641.41)	493,116.00
Total Revenue	<b>\$5,150.55</b>	<b>\$543,858.38</b>	<b>(13,868.62)</b>	<b>\$557,727.00</b>
<b>TRANSFERS</b>				
Total Transfers	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00</b>	<b>\$0.00</b>
<b>EXPENSES</b>				
Salaries	22,005.48	208,123.02	98,047.98	306,171.00
Employee Benefits	4,747.70	37,013.44	20,162.56	57,176.00
Insurance	(107.51)	8,553.03	321.97	8,875.00
Utilities & Fuel	321.92	3,087.15	912.85	4,000.00
Telecommunications	315.36	2,852.38	1,257.62	4,110.00
Legal/Consulting & State License	0.00	0.00	1,000.00	1,000.00
Accounting Services	466.00	19,690.75	1,309.25	21,000.00
Office Supplies	77.01	1,575.98	924.02	2,500.00
Mailing Expense	214.99	4,160.72	339.28	4,500.00
Building Maintenance	130.00	4,120.88	7,879.12	12,000.00
Project Grant Expense	8,560.00	8,560.00	(8,560.00)	0.00
Promotion/Marketing/Advertising	(5,793.00)	2,936.08	2,738.92	5,675.00
Donor Services & Receptions	0.00	16,156.06	3,343.94	19,500.00
Development & Strategic Initiatives	6,014.88	6,014.88	6,085.12	12,100.00
Print & Reproduction	91.05	1,120.84	1,379.16	2,500.00
Dues & Subscriptions	1,008.00	3,052.00	5,548.00	8,600.00
Software	6,229.61	71,812.25	(15,662.25)	56,150.00
IT/Server Expense	1,109.32	10,430.00	4,040.00	14,470.00
Website Design & Maintenance	150.00	1,445.88	454.12	1,900.00
Meetings	347.43	1,072.14	927.86	2,000.00
Board Development	(255.60)	1,332.06	167.94	1,500.00
Staff Development	143.74	504.42	3,095.58	3,600.00
Conference and Travel	0.00	474.26	1,525.74	2,000.00
Furniture and Equipment	0.00	116.00	4,884.00	5,000.00
Investment/Bank Fees	578.97	4,849.25	(3,524.25)	1,325.00
Licenses & Permits	0.00	75.00	0.00	75.00
Total Expenses	<b>\$46,355.35</b>	<b>\$419,128.47</b>	<b>138,598.53</b>	<b>\$557,727.00</b>
Net Activity	<b>(\$41,204.80)</b>	<b>\$124,729.91</b>	<b>124,729.91</b>	<b>\$0.00</b>



**AMENDED AND RESTATED BY-LAWS OF  
THE COMMUNITY FOUNDATION OF THE DAN RIVER REGION**

(A Virginia Non-Profit, Non-Stock Corporation)  
(By-Laws Adopted and Effective as of \_\_\_\_\_, 2025)

**ARTICLE I**

**OFFICES**

The principal office of The Community Foundation of the Dan River Region (the "Foundation") shall be located at 541 Loyal Street, Danville, Virginia. The Foundation may have such other offices, either within or without the Commonwealth of Virginia as the Board of Directors of the Foundation (the "Board") may designate or as the business of the Foundation may from time to time require. The Board may change the principal office of the Foundation from time to time.

**ARTICLE II**

**BOARD OF DIRECTORS**

**2.1 GENERAL POWERS**

The property, business, and affairs of the Foundation shall be managed by its Board of Directors. The directors shall in all cases act as a board and not individually. The Board may adopt rules and regulations for the conduct of its meetings and the management of the Foundation as it deems proper and which are not inconsistent with these By-laws, the Articles of Incorporation, the laws of the Commonwealth of Virginia, or the rules, regulations, or laws of the United States.

**2.2 NUMBER OF DIRECTORS**

There shall be a minimum of thirteen (13) directors and a maximum of twenty-three (23) directors of the Foundation. The minimum and maximum number of elected directors may be increased or decreased from time to time by amendment to these By-laws. ~~Within the minimum and maximum number of directors established by these By-laws, the Board, by resolution, shall set a fixed number of directors divisible by three, which initially shall be twenty-one (21).~~ Within the minimum and maximum number of directors, by resolution, the Board may change the fixed number of directors. A decrease in the number of elected directors by resolution or amendment to these By-laws shall not have the effect of shortening the term of any incumbent Director.

### 2.3 APPOINTMENT AND TENURE OF DIRECTORS

The fixed number of elected directors shall be nominated by the ~~Nominating~~ Governance Committee in accordance with Paragraph 7.4 of Article VII and elected by the Board.

Existing directors may succeed themselves in office. However, a director may not serve more than two (2) consecutive three (3) year terms. A director shall be eligible for re-appointment after absence from the Board for one (1) year. A director's term may be extended in order to fulfill a term of office, if so nominated and elected by the Board.

~~At the first annual election of directors, one third of the directors shall be elected for three year terms, one third of the directors shall be elected for two year terms, and one third of the directors shall be elected for one year terms. Thereafter, Directors shall be elected for three-year terms, thereby producing three groups of directors serving staggered terms in accordance with Section 13.1-858, Code of Virginia, 1950, as amended. Each director, including the initial directors of the Foundation, shall hold office until his or her successor is elected and qualifies, until his or her death, or until he or she resigns or has been removed in the manner hereafter provided.~~

### 2.4 QUALIFICATIONS OF DIRECTORS

Directors shall consist of individuals who reside in the City of Danville, Virginia;

**Commented [CH1]:** Is this for the first board or all boards?

**Commented [SB2R1]:** First Board. Your strike through should be made.

**Commented [DH3]:** I believe we no longer need to reference this because it is about using staggered terms to create the board.

**Commented [SB4R3]:** Agree

Pittsylvania County, Virginia; Caswell County, North Carolina; or surrounding counties. Although not required, it is preferred that Danville, Virginia, Pittsylvania County, Virginia, Halifax County, Virginia, and Caswell County, North Carolina be represented on the Board. Each director is to be selected for his or her knowledge of the religious, scientific, literary, educational, or other charitable needs within these localities.

Any person whose presence on the Board would cause the Board to lose its status as an independent governing body as defined in Section 1.507-2(a)(8)(ii) of the regulations established under the Internal Revenue Code of 1986, as it may be amended (the “Internal Revenue Code”) shall not serve on the Board.

## 2.5 COMPENSATION OF DIRECTORS

The directors of the Foundation shall not receive compensation for their services as directors, but the Board may reimburse directors for expenses incurred in the performance of their duties.

## 2.6 VACANCIES

A vacancy in the Board because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term. The director filling the vacancy may then serve two full terms.

## 2.7 RESIGNATION

A director may resign at any time by giving written notice to the President or the Secretary of the Foundation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

## 2.8 REMOVAL

Any director may be removed, with or without cause, at a meeting called expressly for that purpose, by the vote of a two-thirds majority of the number of directors fixed by these By-laws, as amended, or fixed by resolution of the Board. ~~Among other things, cause shall include the failure~~

**Commented [CH5]:** Need this?

**Commented [DH6R5]:** The religious appears in our articles of incorporation and focuses on our partnership with churches and religious support

**Commented [SB7R5]:** Politically correct

**Commented [DH8]:** Should the 8 be a 7

**Commented [DH9R8]:** Should we not use the code numbers any more, question sent to CoF

**Commented [DH10R8]:** Response from CoF - all codes are correct and fine to leave, but not required.

~~to attend at least 25% of all board meetings within the previous twelve (12) month period.~~

**Commented [DH11]:** Scott shared, This currently means that the Board member would not have attended any of the four Board meetings. Is it better to say that rather than getting into the math? And it gets messy if there are five or six called Board meetings.

## **2.9 TERMINATION, STANDING COMMITTEES**

If the term of a director ends, for any reason, he or she will be removed from any Standing Committee on which he or she serves. However, such director may serve in an advisory capacity as a member of a subcommittee or advisory committee of a Standing Committee.

**Commented [SB12R11]:** I believe we could eliminate the sentence. The first one should do. Before any Board vote would be required, representatives of the Exec Comm should be able to address the person directly and achieve some result. If the reasons for removal are sufficient to gain the vote of 15 Board members, there will probably be no need for a vote.

# **ARTICLE III** **MEETINGS** **OF THE BOARD OF DIRECTORS**

## **3.1 MEETING GENERALLY**

The Board may hold its meetings at such place or places within or without the Commonwealth of Virginia as the Board may from time to time by resolution determine or (unless contrary to a resolution of the Board) at such place as specified in the related notices or waivers of notice of such meetings.

## **3.2 ANNUAL MEETING**

The Board shall meet annually, at such time and place as designated by the Board. It is not required, but typical that the June Board meeting is known as the annual meeting. The purpose of the annual meeting shall be to elect directors and officers and to conduct such other business as indicated on an agenda prepared by either the president or secretary of the Foundation. The term of each elected director shall begin on the first of the month immediately following the annual meeting at which he or she was elected. In the event that a successor director is elected to complete the unexpired term of a resigning or withdrawing director, the term of such successor director shall begin immediately.

## **3.3 REGULAR MEETINGS**

The directors may provide, by resolution, the date, time, and place for the holding of

additional regular meetings of the Board.

### **3.4 SPECIAL MEETINGS**

Special meetings of the Board may be called by or at the request of the President, or any two (2) directors. The person or persons authorized to call special meetings of the directors may fix the time and place for holding any special meeting of the directors called by them. Notice of a special meeting shall be given to all directors at least seven (7) days in advance of the meeting, unless there is an emergency, in which event a notice of one (1) day shall be required. The notice of any special meetings may, but is not required, to state the purpose or purposes for which the meeting is called. A special meeting may include an electronic vote that is then reported on at the following regular meeting.

**Commented [DH13]:** Added this

**Commented [SB14R13]:** I see no harm in the added language.

### **3.5 NOTICE OF MEETINGS**

Any notice of a meeting, whether annual, regular or special, may be given by mail, by telephone, facsimile, e-mail or by other electronic transmission. A director who attends a meeting of the Board, whether annual, regular or special, shall be deemed to have received notice of the meeting, unless he or she attends for the expressed purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

### **3.6 WAIVER OF NOTICE**

~~Notice of any meeting of the Board may be waived by a writing signed by the director~~

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~~entitled to such notice, whether before or after the meeting referenced in the notice. If a meeting is held without appropriate notice, any affected director may waive the notice in writing before or after the meeting referenced in the notice.~~

**Commented [SB15]:** Do not understand the need for this change

### 3.7 QUORUM

At any meeting of the directors, the presence of a majority of the number of directors serving at the time of the meeting shall constitute a quorum for the transaction of business. The act of the majority of the number of directors serving at the time of the meeting shall be the act of the Board.

~~If a quorum is present at the start of a meeting,~~ If an attendee required to retain a quorum leaves the meeting after the quorum is declared, their vote will be presumed in the affirmative unless written objection to any issue voted upon after their departure is filed with the Executive Director within 24 hours following adjournment of the meeting

**Commented [CH16]:** Add this?

**Commented [SB17R16]:** Delete the first sentence of the second paragraph. The second sentence is sufficient.

If a quorum is not present, a majority of the directors present may adjourn the meeting from time to time without further notice. Attendance and voting at a meeting by telephone or electronic means shall be permitted, provided that all parties on either side of the telephone call can hear and communicate with one another.

**Commented [DH18]:** Add this?

### 3.8 VOTING RIGHTS

All voting rights and voting power associated with the Foundation shall reside with the Board. Every director present at a meeting of the Board shall be entitled to cast one (1) vote with respect to any matter presented to the Board for vote.

### 3.9 VOTING BY PROXY

Any director may attend and vote at any meeting of the Board either in person, through electronic means, or by proxy. The Board may adopt any written form for use in designating a proxy.

**Commented [CH19]:** Something like this - "zoom"

**Commented [DH20R19]:** I think it is worthwhile

**Commented [SB21R19]:** Agree

### 3.10 PRESUMPTION OF ASSENT

A director who is present at a meeting of the directors at which action on any corporate

matter is taken shall be presumed to have assented to such action taken unless his or her dissent is entered in the minutes of the meeting or he or she files a written dissent with the person acting as the Secretary of the meeting before the adjournment or immediately within twenty-four hours after the adjournment of the meeting. A director who votes in favor of an action shall not have the right to dissent thereafter.

### **3.11 ACTION WITHOUT A MEETING**

Any action which may be taken at a regular or special meeting of the directors may be taken without a meeting, if a written consent setting forth the action is signed either before or after such action by all of the directors. Such consent shall have the same force and effect as a unanimous vote.

### **3.12 RULES OF ORDER**

The Foundation shall utilize and follow Roberts Rules of Order newly revised current edition for all meetings of the Board.

## **ARTICLE IV** **DUTIES AND AUTHORITY OF THE BOARD**

### **4.1 COMMON GOVERNING BODY**

The Board shall be the common governing body of the Foundation for the purposes of Section 1.170A-9(e)(11)(v) of the regulations established under the Internal Revenue Code. Accordingly, the Board shall direct or, in the case of a fund designated for specific beneficiaries, monitor the distribution of all funds of the Foundation exclusively for charitable purposes within the meaning of Section 170(c)(1) or (2)(B) of the Internal Revenue Code.

Furthermore, in accordance with the above-mentioned Section 1.170A-9(e)(11)(v), the Board shall have the following powers:

1. To modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specific organizations if in the sole judgment of the Board

**Commented [DH22]:** Is this code correct? Can it just be removed or does it need to designate the purpose of the definition.

**Commented [DH23R22]:** It is re-quoted 4 lines down

**Commented [DH24R22]:** CoF checked and confirmed

**Commented [CH25]:** Should be hyphenated

(without the necessity of the approval of any participating trustee, custodian or agent) such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the Foundation;

2. To replace any participating trustee, custodian, or agent for violation of fiduciary duty under the laws of the Commonwealth; and

3. To replace any participating trustee, custodian or agent for failure to produce a reasonable return of net income over a reasonable period of time. The Board shall determine what constitutes "reasonable" in this regard.

The Board shall commit itself (by resolution or otherwise) to exercise the powers set forth in this Paragraph 4.1 of Article IV in the best interests of the Foundation.

If a power granted to the Board is inconsistent with any law of the Commonwealth, even if such powers were expressly granted to the Board by the governing transfer, then the Foundation shall exercise such power to the fullest extent possible consistent with the law if it has grounds to exercise such power.

#### **4.2 FIDUCIARY CAPACITY**

Each member of the Board shall serve in a fiduciary capacity and refrain from exercising any power in such manner as to disqualify the Foundation from federal income tax exemption as a qualified charitable organization or any gift from deduction as a charitable contribution gift or bequest in computing federal income gift or estate tax of the donor or his or her estate.

#### **4.3 CONFLICTS OF INTERESTS**

Each director shall disclose conflicts of interest at the beginning of the fiscal year. A director shall not take any action to influence the conduct of the Board which results in financial benefit to himself or herself. In addition a director shall not take any action to influence the conduct of the Board in any matter or undertaking in which the director has an interest. If an issue arises in which the director or related party could obtain such a benefit, the affected director must disclose

Commented [CH26]: OK to change?

Commented [DH27R26]: This is an addition

the potential conflict fully. If it is determined that a conflict exists, the director may not vote or engage in any discussion on the matter at issue.

The Board, by resolution, may adopt such other policies and requirements relating to conflicts as it deems appropriate.

#### **4.4 EXPOSURE OF THE FOUNDATION AND SOLICITATION OF GIFTS**

The Board shall take all appropriate actions to make the Foundation and its purposes known to the citizens and residents of the community or area served by the Foundation and in that connection seek gifts to the Foundation from institutions, businesses and individuals doing business located or residing in or having an interest in the community or area served by the Foundation.

#### **4.5 ACCEPTANCE OF GIFTS**

The Board of Directors or any officer or officers or agent or agents of the Foundation to whom such authority may be delegated by the Board may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purposes or of any special purpose of the Foundation. Such contributions, gifts, bequests or devises may be received and maintained in the form of separate funds, provided such contributions, etc., are structured in a manner that such separate funds will be treated as a component part of the Foundation rather than as a separate trust or non-profit corporation, in accordance with Section 1.170A-9(e)(11) of the regulations established under the Internal Revenue Code. No such separate fund may be directly or indirectly subjected to any material restriction or condition with respect to the transferred assets in violation of said Section 1.170A-9(e)(11) or any other relevant section of said regulations or the Internal Revenue Code.

The Board, by resolution, may establish a gift acceptance policy, setting forth the manner that gifts will be received, and the funds or accounts into which gifts will be deposited and held.

In addition to the other powers of the Board contained in the Articles of Incorporation or in

**Commented [DH28]:** Need to check this and 4 lines down

**Commented [DH29R28]:** CoF confirmed

the By-Laws of the Foundation, if the Board, upon the unanimous recommendation of the members of the Distribution Committee declares that the purposes of any gift made pursuant to this Article IV, paragraph 4.4, have become (1) unnecessary, undesirable, impracticable or impossible of fulfillment, or (2) if any organization to which the income or principal of any gift shall be paid becomes nonexistent or shall have ceased its activities, or (3) if for any other reasons the application provided by the said donor or testator shall have become impossible, impracticable, unnecessary or undesirable, then, notwithstanding the directions of the donor or testator, the Board shall apply such gift to the purposes set forth in the Articles of Incorporation, subject to the provisions of those Articles of Incorporation and these By-Laws. The determination of the Board of Directors that such purposes have become unnecessary, undesirable, impracticable or impossible of fulfillment shall be binding and conclusive upon all persons.

#### 4.6 MANNER AND MAKING OF GIFTS AND DONATIONS

Any gift to the Foundation for the purposes provided for in these By-Laws or in the Articles of Incorporation of the Foundation may be made by effectively identifying the gift as made to or for the purposes of The Community Foundation of the Dan River Region, a Virginia corporation, or by effectively identifying and incorporating these By-Laws and the Articles of Incorporation of the Foundation by reference in a manner permitted by law in any will, deed or other written instrument legally operative to transfer title to the Foundation. In this respect the donor or testator may:

(1) Generally adopt all of the provisions of these By-Laws and the Articles of Incorporation, in which event the gift shall be devoted to the purpose set forth in paragraph 2 of the Articles of Incorporation;

(2) Adopt the provisions of the By-Laws and the Articles of Incorporation, but:

(a) Specify the charitable purpose to which such gift shall be applied as set forth in this Article IV, paragraph 4.4 of the By-Laws, or

**Commented [SB30]:** Do not see a need for a unanimous referral of the issue to the Board by the Distribution Committee. The Committee should be able to make the referral by majority vote at a meeting of the Committee with an established quorum.

**Commented [DH31]:** Scott shared: This means all, not just those in attendance. Is that OK

**Commented [DH32R31]:** This is the Variance power. Was this high bar set intentionally? Also, this was written when they only needed 3 people on the distribution committee?

(b) Specify the time for the distribution in whole or in part of the principal of the gift and its application, together with the income there from, pursuant to paragraph 2 of the Articles of Incorporation or to other specified charitable purposes as provided in this Article V, paragraph 5.5 of the By-Laws; or

(3) Adopt all of the provisions of these By-Laws and of the Articles of Incorporation but authorize the Board of Directors in its uncontrolled discretion to determine the time when and the purpose for which the principal and/or income of the gift shall be used and applied in whole or in part, pursuant to paragraph 2 of the Articles of Incorporation.

#### 4.7 DISBURSEMENTS

The Board from time to time, but not less frequently than yearly, shall determine all disbursements to be made by the Distribution Committee or for administrative expenses incurred by the Board and shall direct the Treasurer, the ~~Investment~~ Finance Committee, and all participating custodians and agents as to payment thereof and funds to be charged.

All final determinations of the Board of distributions recommended by the Distribution Committee shall be made by the affirmative vote or consent in writing by no less than two-thirds (2/3) of the members of the Board, unless otherwise expressly provided by the direction of the donor as a condition of any gift to the Foundation (provided such condition is permissible under these By-laws and the Articles of Incorporation of the Foundation).

The Board may also authorize a distribution without a preliminary determination of the Distribution Committee, but only after such distribution has been considered by the Distribution Committee. Any approval of a distribution by the Board in such circumstances shall be only upon the affirmative vote or consent in writing of not less than two-thirds (2/3) of the members of the Board.

Disbursements for administrative expenses incurred by Foundation, including but not limited to salaries of the Executive Director and other employees of the Foundation, compensation

**Commented [DH33]:** Scott shared: 2/3 of 22 = 15  
2/3 of 23 = 16

We don't always get that many at the Board meetings, so you may be chasing votes after the meeting.

**Commented [SB34R33]:** Why do we need a super majority (more than required for a quorum?) to approve a recommendation of distribution by the Committee. Don't we approve distribution committee recommendations by a majority vote of the Board meeting where quorum has been established? Board action without referral from Distribution Committee is by super majority in the following paragraph. Or am I misreading it?

for professional and other assistance, and the expenses incurred by the Board or its Standing Committees shall be approved by a majority vote of the Board. Such expenses shall be paid, so far as possible, first from any funds directed by a donor for such purpose in connection with a particular distribution, and any balance out of income of the Foundation's funds.

Each participating custodian or agent shall make or withhold such distributions and disbursements as the Board may direct and shall be fully protected in acting on any written direction signed by the President or other person duly authorized by the Board. Participating custodians or agents shall not be responsible for any act or omission of the Board.

#### **4.8 DEPOSITS**

All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the directors may select.

#### **4.9 MINGLING OF FOUNDATION FUNDS**

The Foundation is authorized to mingle any property given to it under the terms of these By-laws or the Articles of Incorporation with other property given to the Foundation or hold such property separately, in accordance with the gift acceptance policies adopted by the Board.

#### **4.10 RETURN ON INVESTMENTS**

It shall be the duty of the Board to obtain information and take other appropriate steps to see that each participating trustee, custodian or agent administers such trust or fund in furtherance of the exempt purposes of the Foundation, in accordance with the terms of the common governing instrument of the Foundation (as defined in Paragraph 4.1 of Article IV of these By-laws) and accepted standards of fiduciary conduct to produce a reasonable return of net income (or appreciation, where not inconsistent with the Foundation's need for current income) with due regard to safety of principal. A Statement of Investment Policies approved annually by the Board

shall detail these standards.

Commented [CH35]: Something like this

Commented [DH36R35]: I like it

Commented [SB37R35]: Agree

#### 4.11 CHECKS AND DRAFTS

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Foundation shall be signed by such officer or officers, agent or agents, of the Foundation and in such manner as shall from time to time be determined by resolution of the directors, as detailed in the Financial Policies and Procedures.

Commented [CH38]: Add this

Commented [DH39R38]: I like it

Commented [SB40R38]: Agree

#### 4.12 REPORTS

Periodic financial reports shall be prepared by or at the direction of the Board regarding all funds which are held by the Foundation, either directly or in component parts, as funds of the Foundation. Such reports shall be prepared no less frequently than annually and more frequently if required by the Internal Revenue Code, its regulations, and any other law or regulation. Included in these reports shall be the quarterly reports required of the Treasurer, as provided under Paragraph 5.5 of Article V.

#### 4.13 AUDITS

~~Each year, the Board of Directors shall conduct an internal audit of the financial affairs of, and the distributions made by, the Foundation. The audit shall be performed by a two person audit committee composed of Board members other than the Treasurer, and members of the Investment Committee and members of the Distribution Committee. The Committee shall meet with the Treasurer, Investment Committee, and Distribution Committee in conducting the audit.~~

Commented [SB41]: As I understand it, this change originates with Vinnie? Because some outside authority says we are not required to undergo an outside audit? I would think the expense of an outside audit and the burden of that audit on staff are outweighed by the protection of the Board members and the appearance to donors, current and future, of oversight in protection of assets (e.g. Averett University).

The Board will establish policies that will provide for internal controls of the financial statements. The execution of the policies will provide the basis for financial reporting as required under Generally Accepted Accounting Principles as accepted in the United States.

Upon resolution of the Board of Directors Finance Committee, the accounts and distributions of the Foundation may be audited by a reputable Certified Public Accountant, whose reports shall

be submitted to each member of the Board and available to stakeholders and donors for review.

#### **4.14 AUTHORITY TO ENGAGE AGENTS**

The Board from time to time may appoint as advisors persons whose advice, assistance and support may be deemed necessary or appropriate for carrying out the Foundation's purposes, including but not limited to, an executive officer or director, attorneys, custodians, agents and assistants as the Board determines are needed for the administration of the Foundation.

#### **4.15 CONTRACTS**

The directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation and such authority may be general or confined to specific instances. By resolution, the Board may delegate to the Executive Committee or to the Executive Director authority to engage such agents on behalf of the Board and to authorize the Executive Committee and the Executive Director, or other agents, to perform such other acts or duties as deemed necessary or appropriate for the proper administration of the Foundation.

#### **4.16 LOANS**

No loans shall be contracted on behalf of the Foundation and no evidences of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

#### **4.17 BONDS**

At the direction of the Board, any officer or employee of the Foundation shall be bonded. The expense of furnishing any such bond shall be paid by the Foundation.

#### **4.18 INDEMNITY**

The Board in its discretion, on a case-by-case basis, may indemnify and reimburse or advance expenses to any person made a party to a suit or other proceeding because of their position as an employee, custodian, or agent of the Foundation to the extent permitted by applicable laws

**Commented [DH42]:** Scott shared Should this be more specific? Is the term "bonded" enough of a description to get the outcome you want?

**Commented [SB43R42]:** Question for those from whom we purchase insurance: "Are we heavily insured against defalcation by officers or employees?" If not, what is our current level of insurance and what is the cost of higher levels?

of the Commonwealth of Virginia.

## **ARTICLE V**

### **OFFICERS**

#### **5.1 NUMBER**

The officers of the Foundation shall be a President, a Vice-President, a Secretary and a Treasurer. The officers shall be selected from among and elected or appointed by the Board. All officers shall be elected for a one (1) year term. The election and appointment of officers shall take place at the annual meeting of the directors. Any officer may be elected or appointed to succeed himself or herself in office.

#### **5.2 THE PRESIDENT**

The President shall be the principal executive officer of the Foundation and, subject to the control of the directors, shall in general supervise and control all of the business and affairs of the Foundation. He or she shall preside at all meetings of the Board and of the Executive Committee. The President shall appoint, subject to confirmation of the Board, and be an *ex officio* member of all standing and special committees. The President may sign, with the Secretary or any other officer of the Foundation so authorized by the directors, any deeds, mortgages, bonds, contracts or other instruments which the directors have authorized to be executed, except when the signing and execution thereof is expressly delegated by the directors or by these By-laws to some other officer or agent of the Foundation or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the directors from time to time.

#### **5.3 THE VICE-PRESIDENT**

The Vice-President shall assist the President and act for the President when the President is absent from the meetings or otherwise unable to carry out the duties of office.

#### **5.4 THE SECRETARY**

The Secretary shall keep the minutes of the directors' meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these By-laws or as required by law, be custodian of the corporate records and of the seal of the Foundation and keep a register of the post office addresses of each director which shall be furnished to the Secretary by such director and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board.

#### **5.5 THE TREASURER**

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Foundation; oversee the receipts for moneys due and payable to the Foundation from any source whatsoever and deposits of all such moneys in the name of the Foundation in such banks, trust companies, brokerage companies, mutual funds or other depositories as shall be selected in accordance with these By-laws; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the directors. The Treasurer shall submit a financial report of the Foundation to the Board each calendar quarter. The reports shall show assets on hand as of the beginning of the quarter, receipts and disbursements for the quarter and assets on hand as of the end of the quarter.

The Treasurer shall be a voting member of the ~~Investment~~Finance Committee and attend the regular and special meetings of that committee.

Subject to the approval in advance by the Board, the Treasurer may employ and reasonably compensate custodians or agents on behalf of the Foundation to hold and manage any funds of the Foundation. All such custodians or agents shall be subject to all of the terms and conditions of these By-laws and of the Articles of Incorporation of the Foundation.

#### **5.6 REMOVAL**

Any officer or agent of the Foundation may be removed by the Board whenever in their

judgment the best interests of the Foundation would be served thereby.

#### **5.7 VACANCIES**

A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the directors for the unexpired portion of the term.

#### **5.8 COMPENSATION**

Officers as such shall not receive any compensation for their services as officers, but the Board may by resolution authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe the procedure for approval and payment of such expenses by designated officers of the Foundation. Nothing herein shall preclude an officer from serving the Foundation in any other capacity and receiving compensation for such services.

### **ARTICLE VI**

#### **EXECUTIVE DIRECTOR**

The Board may hire an executive officer or director. The Executive Director shall be charged with carrying out the plans and policies of the Board and shall be responsible for the administration of a corporate office in accordance with the standards established by the Board. The Executive Director shall work closely with the officers, the Executive Committee, and other Standing Committees in the performance of his or her duties. The Executive Director shall manage the daily operations of the Foundation, subject to the supervision and control of the Board. The Executive Director is expected to attend all Board meetings and all meetings of Standing Committees, but shall not have the right to vote as a member of the Board or any committee.

### **ARTICLE VII**

#### **STANDING COMMITTEES**

#### **7.1 STANDING COMMITTEES**

The four initial Standing Committees of the Board shall be the Executive Committee, the

Governance Committee, the Distribution Committee, and the Finance Committee. The duties and the responsibilities of each committee may be reorganized by the Board at any time. The Board may also establish additional Standing Committees as it deems necessary or appropriate.

## 7.2 MEETINGS OF STANDING COMMITTEES

### A. Regular Meetings

Regular meetings of Standing Committees shall be held at such times, places, and intervals as each Standing Committee, for itself, or the Board may determine.

### B. Special Meetings

Special meetings of Standing Committees may be held upon the call of the chairperson of the respective Standing Committee, its secretary, the President of the Board, or upon demand of any two (2) members of a respective Standing Committee or of the Board. This may include a vote taken by electronic means regarding issues considered to be time sensitive that will be reported at the next scheduled meeting of the committee or board.

**Commented [DH44]:** Somewhere in here I need permission to vote electronically without a called meeting for items that should not wait until the next meeting.

**Commented [DH45R44]:** Added with underline

**Commented [SB46R44]:** Agree

### C. Notice of meetings; Waiver of Notice; Action without a Meeting;

The notice of meetings of Standing Committees shall be given in the same form and method as for meetings of the Board as provided in Article III, hereof, provided, however, notice of special meetings shall designate the time and place of such special meetings, the object thereof and upon whose demand the special meeting is called. Likewise notice of meetings of Standing Committees may be waived, and action may be taken in the same manner as applicable meetings of the Board.

### D. Quorum for Meetings of Standing Committees

A majority of the members of a Standing Committee shall constitute a quorum at any meeting of a Standing Committee, whether regular or special. All other rules for quorum are set forth in paragraph 3.7 of Article 3.

**Commented [DH47]:** Add this

**Commented [SB48R47]:** 3.7 only describes Board quorums. Maybe better to add "The same rules for maintaining a quorum as established for the Board in Article 3 shall apply to meetings of Standing Committees."

### E. Conduct of Business

Unless otherwise specifically provided in these By-laws, each Standing Committee may

adopt such procedures, rules or regulations for the conduct of its business as ~~to~~ it may seem proper.

#### **F. Vote by Proxy**

Any member of a Standing Committee may attend and vote at any meeting of a Standing Committee on which he or she serves either in person, **by electronic means**, or by proxy. The members of a Standing Committee may adopt any written form for use in designating a proxy.

### **7.3 EXECUTIVE COMMITTEE**

The Executive Committee shall be composed of the President, the Vice-president, the Treasurer, the Secretary, a member of the Board at large, the Chair of the Distribution Committee, the Chair of the Finance Committee, and the immediate Past President. The Executive Committee may exercise the powers of the Board and the management of the affairs of the Foundation between meetings. All action taken by the Executive Committee shall be reported to the Board at the next scheduled meeting of the Board

### **7.4 GOVERNANCE COMMITTEE**

#### **A. Organization**

The Governance Committee shall consist of no less than Three (3) members of the Board. The Governance Committee is responsible for ongoing review and recommendations to enhance the quality and future viability of the Board. The Governance Committee leads in assessing current and anticipated needs for Board composition. The focus of the Governance Committee shall include 1) Board Role and Responsibilities, 2) Board Composition, 3) Board Knowledge, 4) Board Effectiveness, 5) Board Leadership and 6) Executive Succession Planning. The Governance Committee shall produce a slate of nominees for the Board appointments which will be presented to the Board at the annual meeting of the Board. In addition, at the annual meeting of the Board, the Governance Committee shall make recommendations to the Board of those who will serve as officers of the Foundation, members of the Standing Committees, and chair-person of each Standing Committee. The Governance Committee shall be nominated and appointed annually by

**Commented [DH49]:** Add this?

**Commented [DH50R49]:** Scott asked - Is 8 people too large?

**Commented [SB51R49]:** Whose opinion do you care less for? Smaller means smaller quorum and seems exclusive. I like the membership when it comes to recommendations for Board action.

the Board.

#### **B. Nominees for the Board**

Nominees may be drawn from local charities, financial institutions, businesses, professionals, religious organizations, educators, and the public at large, with the goal of attaining broad-based community representation on the Board. No dedicated or set positions shall be reserved on the slate of nominees for any entity or person.

### **7.5 DISTRIBUTION COMMITTEE**

#### **A. Organization**

At each annual meeting of the Board, the Board shall appoint a Distribution Committee consisting of no less than Five (5) members of the Board, selected for their knowledge of the charitable, public, educational, scientific, literary, and other needs of the inhabitants of the community or area served by the Foundation.

#### **B. Records**

The Distribution Committee shall keep complete records of its proceedings and of its instructions for applying the funds of the Foundation. Such records shall be open at all times to the inspection of the Board.

#### **C. Development of Guidelines and Educational Programs for Donors**

The Distribution Committee shall develop guidelines and educational programs and materials, all of which shall be subject to the approval of The Board, for the purpose of informing and advising potential donors and transferors of any contribution, gift, bequest or devise that is to be received and maintained by the Foundation in the form of a separate fund. The guidelines, programs and materials shall indicate the nature of any material restrictions or conditions with respect to such separate fund which may prevent the Foundation from exercising control over such fund for the purposes consistent with the Foundation's exempt purpose and which would therefore be unacceptable to the Foundation. In general, such guidelines shall enumerate specific charitable

**Commented [DH52]:** Added a hyphen

**Commented [DH53R52]:** Does an addition need to be made for representation as listed in 2.4?

**Commented [DH54R52]:** Scott recommends "no"

**Commented [SB55R52]:** "Community representation" says enough. Remove "broad based". Carries political overtones. Membership that reflects "community representation" should already be "broad based" (hyphenated or not). [what I just wrote sounds very opinionated. Sorry]

needs within the community or area served by the Foundation that are consistent with the charitable purposes of the Foundation; and such educational programs shall publicize those guidelines to potential transferors and donors. In addition, in those instances where transferors or donors offer advice or suggestions as to the timing and nature of any distributions from such separate fund, the Distribution Committee shall cause an independent investigation of such advice or suggestions to be performed to evaluate whether such advice or suggestions are consistent with the specific charitable needs in the community or area served by the Foundation as stated in the guidelines. Such investigations may be performed by the staff of the Foundation. The Distribution Committee shall report on all such advice, suggestions and investigations to the Board.

#### **D. Distributions**

The Distribution Committee from time to time, but not less frequently than yearly, shall make a preliminary determination of all distributions to be made from the net income and principal of the Foundation and shall report such preliminary determinations to the Board. The Board shall make the final determination and authorize and direct the payments to be made to the appropriate organizations or persons, including the amount of such payments, the timing of such payments, and any restrictions that should accompany such payments that are deemed necessary to assure use for the charitable purposes and in the manner intended.

All preliminary determinations shall be made by the affirmative vote or consent in writing by no less than three (3) members of the Distribution Committee, unless otherwise expressly provided by direction of the donor as a condition of any gift to the Foundation (provided such condition is permissible under these By-laws and the Articles of Incorporation of the Foundation). All final determinations shall be made by the board as set forth in Paragraph 4.6 of Article IV.

The Distribution Committee shall gather and analyze facts and conduct investigation and research as from time to time it deems necessary in order to determine the most effective agencies and means for meeting the needs of the community or area served by the Foundation through

**Commented [DH56]:** Scott asked: should this be changed to majority of a qualified meeting

**Commented [DH57R56]:** Does this include giving power to a subcommittee

**Commented [SB58R56]:** "The Distribution Committee from time to time, but not less frequently than yearly, shall make recommendations of all distributions to be made from the net income and principal of the Foundation and shall report such recommendations to the Board. The Board shall make the final determination and authorize and direct the payments to be made to the appropriate organizations or persons, including the amount of such payments, the timing of such payments, and any restrictions that should accompany such payments that are deemed necessary to assure use for the charitable purposes and in the manner intended."

Eliminate second paragraph. Donor advised funds are simply rubber-stamped by the Committee, correct?

Do not understand the authority to spend funds "given for such purposes" in "fact-gathering".

Not certain I fully understand the last paragraph preceding 7.6.

distribution of funds given for charitable purposes. The Distribution Committee may also direct disbursements for such fact-gathering, analysis, investigation and research from funds given for such purposes or from funds given without direction as to purpose, subject to approval thereof by a majority of the Board as hereinafter provided.

Determinations may be made to distribute capital from funds given without directions as to principal or income as well as pursuant to directions expressly permitting use of principal, but any custodian or agent holding such funds shall be informed as far in advance as practicable to permit the custodian or agent to adjust its investment policies accordingly. The order of distribution for such distribution may, upon advice from such custodian or agent as to how the desired distribution and any necessary liquidation of investments can most economically be accomplished, be adjusted by management of the staff after consultation with the Finance Committee and applicable Professional Advisors majority vote of the Board, so far as may be deemed practicable.

## 7.6 FINANCE COMMITTEE

### A. Organization

At each annual meeting of the Board the Board shall appoint a ~~Investment~~ Finance Committee.

### B. Duties

The ~~Investment~~ Finance Committee shall meet **at least** annually and regularly with the Treasurer and Staff of the Foundation to provide oversight and control of investments and the annual audit. The Finance Committee will review and supervise the investment of all the Foundation's funds, including those held or managed by custodians or agents employed by the Foundation. It shall be the duty of the Finance Committee to monitor the rate of return from the Foundation's funds and to advise the Board as to whether or not those rates of return are reasonable with respect to the Board's duties under Paragraphs 4.1 and 4.9 of Article IV. The Finance Committee shall supervise and assist the Treasurer in the preparation of the common reports

**Commented [DH59]:** Scott asked if this should be reworded

**Commented [DH60R59]:** Dan added a line after consulting with Steve

**Commented [DH61]:** Name change from Investment committee

required under Paragraph 4.11 of Article IV. ~~The Finance Committee will also interview potential auditors and make such recommendation to the Executive Committee for the appointment of the external auditors~~ The Finance Committee will select a firm to review the policies and procedures of the Foundation as described in Paragraph 4.13 of Article IV. The Finance Committee shall report regularly to the Board with respect to all of the Committee's activities and shall accept such other assignments as may from time to time be requested by the Board.

**Commented [SB62]:** See my prior statement of concern for foregoing annual external audit.

#### **7.7 OTHER COMMITTEES**

The Board may designate from among its members other committees, each consisting of two (2) or more Directors. Each such committee shall serve at the pleasure of the Board, subject to the laws of Virginia.

### **ARTICLE VIII** **INDEMNIFICATION**

#### **8.1 DEFINITIONS**

In this paragraph “applicant” means the person seeking indemnification pursuant to this Article. “Expenses” include counsel fees and other reasonable costs related to defense of a claim. “Liability” means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to any proceeding. “Party” includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding. “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether or civil, criminal, administrative or investigative and whether formal or informal.

#### **8.2 LIMITATION OF LIABILITY**

In any proceeding brought by or in the right of the Foundation, no director or Officer of the

Foundation shall be liable to the Foundation for monetary damages, including reasonable attorneys fees, with respect to any transaction, occurrence or course of conduct, whether prior or subsequent to the effective date of this Article, except for liability resulting from such person's having engaged in willful misconduct or a knowing violation of the criminal law.

#### **8.3.1 DIRECTORS LIABILITY INSURANCE**

The Board shall provide directors' liability insurance to each member of the Board in such form and with such coverage as may be approved by the Board.

#### **8.4 INDEMNIFICATION**

**Commented [SB63]:** INDEMNIFICATION

The Foundation shall indemnify (i) any person who was or is a party to any proceeding, including a proceeding brought by a director or other person in the right of the Foundation, by reason of the fact that he is or was a director or officer, employee or agent, of the Foundation, or (ii) any director or officer who is or was serving at the request of the Foundation as a director, trustee, partner or officer of another Foundation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability incurred by him in connection with such proceeding unless he engaged in willful misconduct or a knowing violation of the criminal law. The Board may, by a majority vote, enter into a contract to indemnify any director (or officer) with respect to any proceeding arising from any act or omission, whether occurring before or after the execution of such contract. The Board may extend the scope of this indemnity to the extent allowed by Section 13.1-875, Code of Virginia, 1950, as amended.

#### **8.5 EFFECT OF AMENDMENT TO THIS ARTICLE**

No amendment or repeal of this Article shall have any effect on the rights provided under this Article with respect to any act or omission occurring prior to such amendment or repeal.

#### **8.6 EFFECT OF THE TERMINATION OF THE PROCEEDING**

The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the applicant

**Commented [DH64]:** Does this section 8 cover the statement that the advice from Steve is not legal advice, but the advice of one board member. All Board members act as members of the board and do not act as legal counsel unless expressly stated?

**Commented [SB65R64]:** We have known legal counsel. I am not that legal counsel, as has been noted in the minutes previously. No special mention needs to be made, as other members contribute opinions formed, in part, by their professions or training.

did not meet the standard of conduct desired in paragraph 8.2 or 8.4.

#### **8.7 SCOPE OF INDEMNITY**

Every reference herein to directors, officers, or agents, includes former directors, officers, employees and agents of the Foundation and their respective heirs, executors and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred by this Article on the Board of Directors shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Foundation or others, with respect to claims, issues or matters for which the Foundation would not have the power to indemnify such person under the provisions of this Article.

#### **8.8 SEVERABILITY**

Each provision of this Article shall be severable, and an adverse determination as to any such provision shall in no way affect the validity of any other provision.

### **ARTICLE IX**

#### **NON-DISCRIMINATION**

The Foundation shall in no way discriminate against any person because of race, religion, color, age, sex, sexual orientation, or national or ethnic origin, or any other characteristic protected by law, in the conduct of any of the Foundation's activities (including, but not limited to, the selection or hiring of employees and contractors and the selection of those admitted to the Foundation's programs and activities).

### **ARTICLE X**

#### **COMMON GOVERNING INSTRUMENT**

The Articles of Incorporation and the By-laws of the Foundation shall, together, be deemed

the "Common Governing Instrument" of the Foundation for the purposes of Section 1.170A-9(e)(1)(iv) of the regulations established under the Internal Revenue Code. All funds of the Foundation shall be subject to the Common Governing Instrument.

## **ARTICLE XI**

### **AMENDMENTS, TERMINATION AND REVOCATION**

The By-laws may be altered, amended, or repealed and new By-laws may be adopted at a meeting of the Board upon receiving the vote of at least two-thirds majority of the number of directors fixed in accordance with these By-laws. The notice of such meeting shall set out the proposed amendment or amendments.

The maker of any gift for the uses and purposes expressed in these By-laws or in the Articles of Incorporation and all persons claiming by, through or under him or her, and the Foundation, by its acceptance of such gift, shall be conclusively deemed to have agreed to the following: the Board by resolution adopted by the affirmative vote of two-thirds of its members, may, from time to time, or at any time, modify or supplement the administrative provisions of these By-laws or the Articles of Incorporation, including any change deemed advisable in the number, method of appointment, or qualification of the members of the Board or Distribution Committee, provided that any such modification, supplement or change shall be consistent with the general plan and purpose of the Foundation as expressed herein, and with the application of the entire net income and/or principal or any gift, for the purposes of the Foundation, as herein defined, but subject at all times to the provisions of Article V, paragraph 5 of these By-laws as respects purposes or directions specifically expressed in any particular gift. The Board shall further have the power to terminate the Foundation and all the powers and duties of the Board and Distribution Committee. In the event of a termination of the Foundation or termination of any fund by the Board, the remaining assets shall be disposed of exclusively for the purposes set forth in the Articles of

Incorporation.

Each gift made hereunder shall expressly be deemed to be irrevocable by the donor thereof, or by anyone else.

**These bylaws approved unanimously at its annual meeting as affirmed by the following signature of the President and the secretary.**

**These By-laws were originally accepted and approved by the Board of Directors of the DPC Community Foundation at its annual meeting held September 30, 2002**

**~~This is a re-stating of the By-laws to reflect~~ The corporation underwent a name change to The Community Foundation of the Dan River Region on July 1, 2004.**

**These By-Laws were reviewed and adopted on March 17, 2025. ~~This is a true and accurate copy of an original document duly adopted on~~ June 23, 2014.**

**Commented [CH66]:** Insert correct date

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**Richard S. Dixon, Secretary**

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**Stephen G. Bass, President**

# Community Foundation of the Dan River Region

## Estimated Administrative Budget

REVENUES	2024-2025 Budget	Projected thru 6/30/25	Budget v. Actual	2025-2026 Budget	
Gifts & Bequest (Available)	7,250	4,700	(2,550)	7,500	\$1000 P. Howard, \$6500 donor appreciation luncheon
Inter-fund Gifts (Available)	1,000	609	(391)	600	gifts from various funds- Betzy Robertson fund \$600
Distribution from Board Endowment F	22,361	22,361	-	24,100	amount from spending policy
Interest/Dividend Income	34,000	48,395	14,395	42,000	interest earned on Admin Fund balance
Realized Gain/Loss	-	4	4		
Unrealized Gain/Loss	-	1,796	1,796		
Administrative Fees Received	493,116	636,277	143,161	626,000	includes Daly Trust fee of aprox. \$8000; 4x\$150,000; DRF \$18000
<b>Total Revenues</b>	<b>557,727</b>	<b>714,143</b>	<b>156,416</b>	<b>700,200</b>	

### EXPENSES

Salaries	306,171	274,855	31,316	310,000	Approved by the Executive Committee
Employee Benefits	57,176	52,450	4,726	80,000	includes life ins., retirement, FICA, dental/health; unemployment ins.
Insurance	8,875	8,958	(83)	9,200	life \$750, D&O \$1120, Crime \$625, Bldg, Business owners \$3250, workmans comp \$450, cyber \$3000
Utilities and Fuel	4,000	3,949	51	4,500	\$350/mo average
Telecommunications	4,110	3,798	312	4,175	Net2phone 2650, Kinex 1200
Legal and Consulting Services	1,000	-	1,000	1,000	
Accounting and Contract Services	21,000	21,089	(89)	24,000	\$15000 audit/Form 990, \$6000 for Payroll Services, \$3000 Contract Services
Office Supplies	2,500	2,500	0	4,000	office supplies; paper products
Mailing Expense	4,500	4,500	0	6,000	postage \$4000, includes postage for Annual Report 1500 and Annual Appeal postage 520; Donor Luncheon 250, donor stmt 250, Pitney Bowes equipment rental
Building Maintenance	12,000	5,222	6,778	12,000	Squeaky Klean \$1,560, Fire Safe \$50, Four Seasons \$370, Raywood (snow removal) \$300, general repairs & maint.\$8,400, security monitoring \$220; HVAC maint. \$1100

Project Grant Expense	-	(0)	0	-	Expenses reimbursed by DRF; VFN conference; ED job ads
Promotion/Marketing/Advertising	5,325	4,492	833	6,400	Dan. Concert Assoc. \$500; Soc. Media \$200; Constant Contact \$700; Promotional swag \$1500; rack cards; banners \$500; print ads \$1500; project literacy(Jeopardy) \$500; instruction video \$1000
Donor Services & Receptions	18,850	20,056	(1,206)	24,500	Halifax Grant \$800; Past Presidents \$300; Legacy Society \$2000; Grant Reception \$600; Scholarship Reception \$1200; Donor Appreciation \$9000; Christmas Cards \$600; Annual Report \$10,000
Development/Strategic Initiatives	13,100	6,039	7,061	13,300	Professional advisor baskets \$300; Donor Drive Campaign/Hospitality/learning Events \$5000; Estate Planning Conferences \$1500; Annual Appeal \$1000; Literacy Career Choice Expo. \$5000; VFN \$500
Printing & Reproduction	2,500	2,115	385	3,000	DocuSystems copies \$1200 (approx \$100/mo); letterhead/envelopes \$750; remittance envelopes \$400
Dues & Subscriptions	8,600	6,177	2,423	7,100	DP/Caswell/Halifax Chambers \$900; River District Assn. - \$100; VA Funders Network \$1000; newspapers/journals \$800; National Standards \$1000, Council on Foundations \$2500; Rotary for Dan \$600; Dan River NPN \$200
Software	56,150	87,823	(31,673)	56,000	FIMS Archive \$6000, Blackbaud 1 month \$1420, Akoyago \$46800, LastPass \$250, Adobe \$1300
IT/Server Expense	14,470	13,758	712	20,000	Tekabyte \$14,000, Server \$6000
Website Design/Maintenance	1,900	1,896	4	18,000	hosting/maintenance \$2000; redesign \$15000; \$100 Tekabyte
CFDRR Meeting Expenses	2,000	1,622	378	2,500	misc. meetings; lunches; snacks; distribution committee reading snacks
Board Development	1,500	1,500	(0)	3,000	board retreat; gift to past president; videos \$1000
Staff Development	3,600	814	2,786	3,750	software training/classes \$3000, staff well-being expenses \$350; Duke certification- \$400 for 2
Travel/Conference Expenses	2,000	853	1,147	12,500	estimate \$2500/person (examples of this type of expense with estimated costs-monthly mileage; VFN; Akoyago; LEAD VA)
Furniture and Equipment	5,000	5,000	-	5,000	includes new computer purchases, monitors, office furniture
Investment/Bank Fees	1,325	6,293	(4,968)	7,000	bank fees, broker fees
Licenses & Permits	75	75	-	75	State Corporation Commission
Grants Voted- CFDRR Special Initiatives Fund	-	-	-	50,000	allocated contribution to CFDRR Special Initiatives fund
Operational Surplus Retained	-	-	-	13,200	a calculation: will add to Admin Fund balance
Other Expenses	-	-	-	-	misc. exp.
<b>Total Expenses</b>	<b>557,727</b>	<b>535,833</b>	<b>21,894</b>	<b>700,200</b>	

<b>Total</b>	<b>-</b>	<b>178,310</b>	<b>178,310</b>	<b>-</b>	
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Administrative Fund Balance as of April 30, 2025 - \$1,591,834.20

## CFDRR Benefits Package

(effective July 1, 2025 pending board approval)

### Holidays (12)

New Year's Day  
Martin Luther King Jr. Day  
Presidents' Day  
Good Friday  
Memorial Day  
Juneteenth  
July Fourth  
Labor Day  
Thanksgiving  
Thanksgiving Friday  
Christmas Eve  
Christmas Day

Full-time and part-time employees will receive pay for eight hours per Board approved holiday. If an approved holiday falls on a Saturday, the office will be closed on the prior Friday. If the holiday is on a Sunday, the office will close the following Monday.

### Paid Time Off

Each full-time employee accumulates Paid Time Off according to the approved policy.

All paid time off must be approved in advance through the PTO/Holiday Time off request form.

Unpaid time off should also be approved in advance through the PTO/Holiday Time off request form, if possible. Unpaid time off for an emergency or crisis may also be requested. Repeated unpaid time off may reflect negatively on the employee's performance review.

### Insurance

Each full-time employee receives **life** insurance at least equal to their annual salary.

Each full time employee receives paid **dental** insurance as approved annually by the Board.

Each full-time employee can choose from **health** insurance/other benefits through Outstaffing.

### Retirement

The Foundation has a Simplified Employee Pension (SEP) Plan. Full-Time employees are generally eligible to participate in the Plan after one year of employment eligibility has been satisfied. The contribution is at the discretion of the Foundation but it has historically contributed 6% of salary for all eligible employees.

## **FY25 Special Initiatives Fund Contribution Recommendation**

As of April 30, 2025, there is an operational revenue surplus for FY25 of \$156,000 and operational expenses are projected to be under budget \$22,000 for the fiscal year for a total surplus of \$178,000. For the last few years, there has been an operational budget surplus so over time the Administrative Fund has grown. The balance as of June 30, 2025, is projected to be approximately \$1.5 million. The recommended practice is to retain two years of operational expenses. With a projected budget of \$700,000 for FY26, the optimal Administrative Fund Balance should be \$1.4 million.

Consequently, the staff recommendation is to contribute \$50,000- \$75,000 of the operational revenue surplus retained in the Administrative Fund to the Special Initiatives Fund. This recommendation follows the procedure outlined in the Financial Policies and Procedures Policy.



# Credit Card Policy and Procedures: Receiving Gifts

Pending Board Approval June 16, 2025

~~All staff members will be trained in the acceptance of Community Foundation gifts using Network for Good.~~

## Credit Card Processing

A ~~point-of-sale credit card terminal~~ ~~bank's terminal credit card machine~~ will not be used at The Foundation. If an individual (donor) wishes to utilize a credit card for their donation, this will be completed through CFDRR's website ~~giving portal using the Network for Good portal.~~

Should a donor be unable to process their own donation using the ~~giving Network for Good~~ portal, office staff may process this transaction for them utilizing the ~~Network for Good giving~~ portal. This shall be completed either through a face-to-face transaction with the donor in the office, or over the telephone with the donor.

## Processing and security measures regarding face-to-face or telephonic donations

1. No credit card information (credit card number/expiration date/CVV code/name on card) will be ~~documented or~~ stored in The Foundation office. ~~Network For Good will have the only records of transactions, except for the printed Network for Good receipt, which we will file with that day's deposit.~~
2. When a staff member receives donor information, it shall be directly entered into the portal while the donor is present or on the phone. No notes regarding donor's credit card information shall be taken.
3. ~~When a staff member receives donor information, it is recorded on a CFDRR Credit Card Processing Form and processed immediately. If the transaction is completed without the donor present, the lower section of the CFDRR Credit Card Processing Form must be completed.~~
4. ~~Once the payment transaction is complete, the staff member must print the receipt from the Network for Good giving portal.~~
5. ~~If needed to process the transaction, the lower section of the CFDRR Credit Card Processing Form must immediately be crosscut shredded to ensure that no credit card information is stored in the office.~~
6. Donor should be informed that they will receive an email confirmation of their donation from the giving portal ~~Network for Good.~~
7. ~~If donor is present,~~ Donor should be informed that they will receive ~~they should receive a copy of the a receipt and be told that a~~ Gift Acknowledgement Letter ~~will be mailed to them from CFDRR. If donor is not present, they should be told that a receipt and Gift Acknowledgement Letter will be mailed to them.~~
8. ~~Any staff member who accepts a credit card gift must give the top section of the CFDRR Credit Card Processing Form along with the donation receipt to the Donor Services Manager.~~

## CFDRR Credit Card Processing Form

**~~The information below (top only) must be given to the Donor Services Manager, along with the Network for Good receipt, once the donation is confirmed.~~**

Date: \_\_\_\_\_

Name of donor: \_\_\_\_\_

Address for credit card: \_\_\_\_\_

City/State/Zip Code for card: \_\_\_\_\_

Address of donor if different from credit card: \_\_\_\_\_

\_\_\_\_\_

Phone or email address (if follow up is necessary): \_\_\_\_\_

Will donor cover the 3% transaction fee (circle)? YES NO

In honor or memory (circle) of name: \_\_\_\_\_

Address to send acknowledgement letter to: \_\_\_\_\_

\_\_\_\_\_

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**~~If processing a phone order, the information below must be crosscut shredded immediately after Network for Good receipt is printed.~~**

Type of credit card: \_\_\_\_\_

Credit Card Number: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

CVV Security Code: \_\_\_\_\_



## Gift Acceptance Policy

Pending Board Approval June 16, 2025

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### Purpose

The purpose of ~~this policy these fund and gift acceptance policies~~ is to advance the Foundation's mission of connecting donor interests to community needs and opportunities utilizing community knowledge and leadership. By providing guidelines for negotiating and accepting various types of gifts for different types of funds, these policies are designed to serve the best interests of the Foundation, donors who support the Foundation's programs through charitable gifts, and a healthy and caring community. These policies are established to assure that each gift to the Foundation is structured to provide maximum benefits to the community, the donor, the Foundation and the beneficiaries of the Foundation's charitable programs and activities.

### Scope

These policies address both current and deferred gifts, with an emphasis on specific types of deferred gifts and gifts of non-cash property. The goal is to encourage financial support for the Foundation without encumbering it with gifts which either generate more cost than benefit, or which may be restricted in a manner that is not in keeping with the Foundation's charitable purposes or applicable laws governing charitable gifts. These policies also describe the types of funds that the Foundation maintains.

*Notwithstanding anything in this policy to the contrary, the Foundation reserves the right to waive any requirements herein with respect to acceptance of specific gifts.*

### Ethical Standards in Dealing With Donors

Every person acting for or on the Foundation's behalf shall adhere to those standards set forth in *A Donor Bill of Rights*:

[http://www.afpnet.org/files/ContentDocuments/Donor\\_Bill\\_of\\_Rights.pdf](http://www.afpnet.org/files/ContentDocuments/Donor_Bill_of_Rights.pdf)

and the *Model Standards of Practice for the Charitable Gift Planner*:

<https://charitablegiftplanners.org/standards/model-standards-practice-charitable-gift-planner>

The Foundation is committed to the highest ethical standards of philanthropy and development. In all transactions between potential donors and the Foundation, the Foundation will aspire to provide accurate information and full disclosure of the benefits and liabilities that could influence a donor's decision, including with respect to the Foundation's fees, the irrevocability of a gift, prohibitions on donor restrictions, items that are subject to variability (such as market value, investment return, and income yield), the Foundation's responsibility to provide periodic financial statements with regard to donor funds, and investment policies and other information needed by donors to make an informed choice about using the Foundation as a vehicle of charitable gifts. In addition, all donors will be strongly encouraged to discuss their gifts with their own financial and tax advisors before signing any ~~gift~~

~~a~~Agreement. The role of the Foundation's staff is to inform, guide, and assist the donor in fulfilling his or her philanthropic goals, without pressure or undue influence.

The Foundation recognizes the paramount role of donors and their gifts to the Foundation in executing its charitable mission. In carrying out the Foundation's development program, staff will recognize and acknowledge donors in appropriate ways, both publicly and privately, subject to the Foundation's Policy on Confidentiality. Donors reserve the freedom to determine the degree and type of recognition that they prefer and the Foundation respects the confidentiality of donors who do not wish to be publicly recognized.

## Funds

The Foundation offers ~~the following types of funds: several different types of funds. These include:~~

Unrestricted Funds: Gifts to these funds help the Foundation help our community. The Foundation makes distributions to support effective work of charitable organizations throughout the area we serve.

Field of Interest Funds: These funds support a charitable purpose designated by the fund's donor or donors. Distributions are determined by the Foundation consistent with the fund's purposes. Where appropriate, the Foundation may create an advisory committee to make recommendations for distributions.

Designated Funds: These funds support a charitable organization(s) designated by the fund's donor or donors. Distributions generally are determined by applying the Foundation's spending policy to the assets held in the fund.

Agency Endowments: These funds are created by charitable organizations that designate themselves as the fund's beneficiary. Distributions generally are determined by applying the Foundation's spending policy to the assets held in the fund.

Scholarship Funds: These funds provide financial assistance to students at schools, colleges, and universities. Scholarship funds can also support vocational training and assistance in paying for special courses. Donors recommend eligibility criteria but the Foundation Board reviews and recommends annual recipients.

Donor Advised Funds: Donors recommend grants to charitable organizations.

Disaster Relief, Emergency, and Hardship Funds: Contributions to these funds help people in time of need and help our community recover when disasters strike. The Foundation makes distributions from these funds to support effective organizations that provide assistance to individuals and community organizations.

Pass Through Funds: The total fund balance is available for distribution at any time.

## Variance Power

Sometimes a fund ~~is no longer needed, for instance just doesn't work anymore. Scientists discover a cure for polio. A~~ charitable organization goes out of existence. The Foundation has the ability to address these situations through its variance power, ~~as detailed in Article 4.5 of the By-Laws of the Foundation.~~ This power gives the Foundation's board the ability to make changes to a fund, ~~for example,~~ when its purpose is no longer necessary, can no longer be fulfilled, or has become inconsistent with the charitable needs of the community. This power to update funds helps protect donors by avoiding the need for complex and costly legal proceedings.

## **Authority to Accept Gifts**

Acceptance by Officers & Designated Employees Any of the Foundation's officers or employees designated by the Foundation's Executive Committee may accept, for and on the Foundation's behalf, any of the following:

- Cash
- Checks
- Marketable securities

Acceptance by Gift Acceptance Committee All other gifts, including those listed below, will require review and, if appropriate, approval by the Foundation's Gift Acceptance Committee, comprised of the Executive Director, Treasurer and the Board President and other appointees as named by the Board. The following gifts require the Committee's review and approval:

- Closely-held and S corporation stock
- Partnership interests
- Limited liability company interests
- Accounts receivable (e.g., gifts of loans, notes, mortgages)
- Real property
- Gifts of intellectual property, mineral reserves, precious metals
- Artwork, coin collections, jewelry, etc.
- Life insurance and annuity policies

Emergency Gifts Notwithstanding the Gift Acceptance Committee's authority above, gifts requiring immediate action (such as gifts in late December) may be exempted from full Committee review if, in the Executive Director's judgment, in consultation with the Chair and Vice-Chair of the Executive Committee, that gift may be accepted without in any way jeopardizing the Foundation's exempt status.

Timing of Review Gifts requiring Committee review will be handled promptly. Foundation staff will immediately notify donors if a gift is not accepted.

## **Authority to Negotiate and Sign Gift Agreements**

Subject to the Executive Committee's review and approval authority, the Foundation's Executive Director, will have the authority to handle inquiries, negotiate with donors, assemble documentation, retain expert and technical consultants, and execute agreements on the Foundation's behalf.

## **Purpose of Gifts**

The purpose of each gift to the Foundation must fall within the Foundation's broad charitable purposes. The Foundation cannot accept any gift that will be directly or indirectly subject to any material restriction or condition by the donor that prevents the Foundation from freely and effectively employing the gift assets or the income from such assets to further its charitable purposes. In addition, the Foundation reserves the right to reject any gift that might place the other assets of the Foundation at risk or that is not readily convertible into assets that fall within the Foundation's investment guidelines. The Foundation may also decline a gift if it is not able to administer the terms of the gift in accordance with the donor's wishes.

## Minimum Gifts

Subject to the policies set forth in this document, the Foundation may accept gifts to existing funds of any size. The minimum gift to endow a new unrestricted, donor advised or designated fund is \$10,000; minimums for scholarship funds are \$25,000. A new fund may be established with a lower minimum if the donor makes regular payments to bring the fund to the minimum level within ~~three~~ five years. No grants may be made from any fund until the minimum is reached. Exceptions are subject to the approval of the Foundation's Executive Director.

## Investment of Gifts

The Foundation reserves the right to make any or all investment decisions regarding gifts to it in accordance with its **Statement of Investment Policy**, as amended from time to time. In making a gift to the Foundation, the donor gives up all rights, title and interest to the assets contributed. In particular, the donor relinquishes the right to choose investments and investment managers, brokers, or to veto investment choices for the contributed assets.

~~At its discretion, and when otherwise permitted by law, the Foundation may accommodate requests from donors for separate investment of fund assets, or use a particular investment manager, broker or agent in accordance with the Foundation's Investment Policy.~~

## Costs of Accepting and Administering Gifts

Generally, costs associated with the acceptance of a gift, such as the donor's attorneys' fees, accounting fees, and appraisal and escrow fees, are borne by the donor. The direct costs of administering gifts are generally paid out of the assets of the individual funds. Custodial, investment, and administrative fees are paid from the respective funds in accordance with the Foundation's guidelines and fee schedules. The Foundation reserves the right to assess a set-up fee.

## Fundraising by Donors

Because the Foundation is legally responsible for all fundraising undertaken on its behalf, fundraising undertaken by donors in connection with funds of the Foundation must **follow the Foundation's Donor Initiated Fundraising Policy** ~~be approved in advance by the Foundation pursuant to the Foundation's policy on fundraising by donors. All such fundraising activities are also subject to the Foundation's supervision.~~

## Excess Business Holdings

The Pension Protection Act of 2006 amended section 4943 of the Internal Revenue Code to limit ownership of closely-held business interest in a donor-advised fund. A fund's holdings, together with the holdings of disqualified persons (donor, advisor, members of their families and businesses they control) may not exceed any of the following:

- 20% of the voting stock of an incorporated business;
- 20% of the profits interest of a partnership, joint venture, or the beneficial interest in a trust or similar entity;
- Any interest in a sole proprietorship.

These limitations do not apply if the donor advised fund holds an interest that does not exceed two percent of the voting stock and two percent of the value of the business.

Donor-advised funds receiving gifts of interest in a business enterprise have five years from the receipt of the interest to divest holdings that are above the permitted amount, with the possibility of an additional five years if approved by the Secretary of the Treasury. To prevent a violation of these rules, it is the Foundation's policy to divest itself of such holdings within five years from the date the Foundation acquired the asset. If that is not possible, the asset will be transferred to a new or existing fund that is not an advised fund.

## **Types Of Gift Assets**

Generally, gifted assets will be either 1) "liquid" assets such as cash or marketable securities, or 2) "illiquid" assets defined as everything that is not cash or marketable securities. With respect to non-cash assets, it is the Foundation's general policy to liquidate all gifts promptly. On occasion, the Finance Committee may decide that it will not liquidate certain gifts immediately. Factors the Committee will consider include:

- Market conditions – a gift may be retained for a reasonable period of time if the likely sales price would be substantially less than the asset's real value. Similarly, a large block of stock might be sold over a period of time in order not to artificially depress the price.
- Use by the Foundation – the Foundation may elect to keep gifts that it will employ directly in furtherance of its exempt purposes. For example, the Foundation might keep real property that it will use as its offices.
- Desirability as an investment – on rare occasions, the Foundation may be given property that it wishes to retain as an investment. Considerations in this decision include the projected return and how the asset fits into the Foundation's investment portfolio.

If a fund's illiquid assets do not generate a sufficient return to permit grantmaking that is consistent with the assets' value, the Foundation will seek an additional gift of cash or marketable securities to allow the fund to begin making distributions.

Subject to Board approval, the Foundation may accept the following types of gifts:

## **Liquid Assets**

### Cash

The Foundation accepts gifts of cash

- In currency of the United States;
- By checks made payable to the Foundation or the component fund; or
- By credit cards or wire transfer to the Foundation's account(s).

### Publicly-Traded Securities

*General* The Foundation accepts gifts of marketable, publicly-traded stocks and bonds. As a general rule, publicly-traded stocks and bonds contributed to the Foundation will be redeemed or sold as soon as practicable. All proceeds from such redemption or sale less commissions and expenses are then credited to the component fund to which the stocks or bonds were originally contributed. The Foundation may accept gifts of publicly-traded stocks and bonds in any amount to any existing fund. However, gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

*Appraisal* No appraisal is required so long as the stock or bond is not subject to any restrictions, including those imposed by contract or the Securities Exchange Commission. Where appraisal is not required, the value of the gift is determined by calculating the mean of the high and low prices of the securities on the date of the gift.

## Illiquid Assets

### Real Estate

*General* This policy applies to all gifts of real property, including outright gifts of residential and commercial property and farmland; bargain-sale transactions; and gifts of remainder interests in which the donor retains a life estate. The Foundation does not accept gifts of time shares.

Gifts of real property must be reviewed by the Gift Acceptance Committee. Subject to the Committee's approval, the Foundation may accept gifts of real property to any fund. Gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement. In deciding whether to accept real property gifts the Foundation will:

- Determine whether the real estate gift is an acceptable minimum value.
- Confirm that the donor has legal capacity and is entitled to convey the property through copies of deed, title report, etc., provided by donor.
- Determine whether, if property is encumbered by debt, the debt is of a level that will not unduly burden the Foundation or adversely affect the marketability of the property.
- Perform a market and financial analysis prior to acceptance of the gift to determine whether the gift is a financially sound acquisition.
- Weigh its ability to manage commercial property for the time necessary to sell the property. For example, income producing property may subject the Community Foundation to unrelated business income tax and/or other types of expenses, including but not limited to, upkeep of land, maintenance of buildings and management of property.
- Evaluate whether any restrictions on the gift desired by donor will jeopardize the classification of such gift as charitable.

*Appraisal* Each gift of real property giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal.

*Distributions* Distributions from a component fund that consists entirely of real property are limited to the net income generated by the property less fees assessed by the Foundation and any unrelated business tax imposed thereon.

*Liquidation* The Foundation will generally seek to sell real property as soon as possible and generally will not accept gifts that cannot be liquidated within three years.

*Procedures for Accepting Gifts of Real Property* Donors will provide the information and documents requested in the Real Property Donation Checklist and the Real Property Inquiry Form at the earliest possible time prior to the acceptance of the gift. Copies of those forms are appended to this policy. The Foundation may request additional information or documents when necessary to its evaluation of the proposed gift.

Whenever possible, a member of the Foundation staff or an authorized representative will visit the property to determine its nature and type and to identify any potential problems not evident from information supplied by the donor that might hinder or prevent the foundation's sale of the property.

*Environmental Assessment* The Foundation reserves the right to require ~~If the property type warrants~~ donors to ~~will provide, at their expense, at least~~ a Phase I Environmental Report with disclosure of any environmental problems or statement that none exists.<sup>4</sup>

## Closely-Held Stock and S Corporation Stock

*General* Gifts of closely-held and S corporation stock must be reviewed by the Executive Committee. Subject to the Committee's approval, the Foundation may accept gifts of closely-held or S corporation stock in any amount to any existing fund. Gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement. The Foundation may accept gifts of stock in closely-held or S corporations that generate unrelated business income only if certain agreements are reached with the donor and/or the corporation. These include an agreement by the donor that the taxes on the unrelated business income and the Foundation's associated administrative expenses (e.g., accounting and tax return preparation) will be charged against the fund holding the contributed stock. Further, the donor should agree to contribute additional cash to the fund to pay the foregoing taxes and administrative expenses to the extent there is insufficient cash in the subject fund balance to cover such taxes and expenses.

*Appraisal* Each gift of closely-held or S corporation stock giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal.

*Distributions* Distributions from a component fund that consists entirely of closely-held or S corporation stock are limited to the income generated by the securities less fees assessed by the Foundation and any unrelated business tax imposed thereon.

*Liquidation* The Foundation will generally seek to redeem or sell closely-held or S corporation stock contributed as soon as possible and generally will not accept gifts that cannot be liquidated within three years.

### *Procedures for Accepting Gifts of Closely-Held or S Corporation Stock*

The following procedures apply to all proposed gifts of S corporation stock:

- The Foundation will review corporate governing documents to determine the rights and obligations associated with the stock and whether or not the Foundation should undertake such obligations in light of such rights.
- The Foundation will review the corporation's most recent tax returns and the donor's most recent K-1 to determine the nature of the income associated with the stock (e.g., unrelated business income, active versus passive business).
- All proposed transfer documents must conform to the Foundation's form or be approved by the Foundation's counsel.
- As a condition for the Foundation's acceptance of the gift, a written agreement between the donor and the Foundation should be in place that provides for the payment of administrative expenses and unrelated business income taxes generated by the stock to the extent there is insufficient cash in the fund to which the stock has been donated to cover such expenses and taxes. The agreement should also require the donor to indemnify the Foundation against all liabilities incurred by the donor on account of the stock up to the date of the gift.

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<sup>4</sup>~~Not every property will warrant an environmental assessment, however the Foundation reserves the right to require such assessment at Donor's expense.~~

- The donor shall provide the Foundation with all documents which outline, discuss or relate to the duties and liabilities which shareholders have, including Shareholder Agreements.

### General Partnership Interests

The Foundation generally does NOT accept gifts of general partnership interests due to the unlimited liability of general partners.

### Limited Partnership Interests

*General* Gifts of limited partnership interests must be reviewed by the Gift Acceptance Committee. Subject to the Committee's approval, the Foundation may accept gifts of limited partnership interests in any amount to any existing fund. Gifts to establish a new component fund at the Foundation must meet the applicable minimum funding requirement. The Foundation reserves the right to carefully screen all proposed gifts of limited partnership interests to ensure that they place no undue risk upon the Foundation.

The Foundation generally does not accept gifts of interests in partnerships that carry on active business. Interests in passive, investment-type limited partnerships such as those holding real estate, stocks and bonds, are preferred.

The Foundation may accept gifts of limited partnership interests that generate unrelated business income only if certain agreements are reached with the donor. These include an agreement by the donor that the taxes on the unrelated business income and the Foundation's associated administrative expenses (e.g., accounting and tax return preparation) will be charged against the fund holding the partnership interest. Further, the donor would have to agree to contribute additional cash to the fund to pay the foregoing taxes and administrative expenses to the extent there is insufficient cash in the subject fund balance to cover such taxes and expenses.

*Appraisal* Each gift of limited partnership interest must be appraised in accordance with federal tax law. The donor will be responsible for obtaining such appraisal.

*Distributions* Distributions from a component fund that consists entirely of limited partnership interests are limited to the income distributed to the Foundation by the partnership less fees assessed by the Foundation and any unrelated business income taxes imposed thereon.

*Liquidation* The Foundation will generally seek to redeem or sell limited partnership interests contributed to it within three years.

### *Procedures for Accepting Limited Partnership Interests*

The following procedures apply to all proposed gifts of limited partnership interests:

- The Foundation will review the partnership governing documents to determine the rights and obligations associated with the limited partnership interest and whether or not the Foundation should undertake such obligations in light of such rights. If required, the donor should be asked to obtain the other partners' consent to the gift as a condition to the Foundation's accepting the gift.
- The Foundation will review the donor's most recent K-1 and the partnership's tax returns to determine the nature of the income associated with the limited partnership interest (e.g., unrelated business income, active versus passive business).
- All proposed transfer documents must conform to the Foundation's form or be approved by the Foundation's counsel.

- As a condition for the Foundation's acceptance of the gift, a written agreement between the donor and the Foundation should be in place that provides for the payment of administrative expenses and unrelated business taxes generated by the interest to the extent there is insufficient cash in the fund to which the interest has been donated to cover such expenses and taxes. The agreement should also require the donor to indemnify the Foundation against all liabilities incurred by the donor on account of the limited partnership interest up to the date of the gift.

#### Limited Liability Company Interests

The same considerations given to gifts of limited partnership interests apply to gifts of interests in limited liability companies.

#### Tangible Personal Property

*General* The Foundation accepts gifts of personal tangible property (e.g., artwork, coin collections, jewelry) only if: (i) the Foundation determines that the property will be used in furtherance of the Foundation's exempt purposes or (ii) the Foundation will be able to sell the property. If the property is to be sold, the Foundation will accept the gift only if it has sufficient value to justify the expenditure or resources required for such sale. The Foundation may accept gifts of personal tangible property in any amount to any existing fund. Gifts of tangible personal property to establish a new component fund at the Foundation must meet the applicable minimum funding requirement.

*Appraisal* Each gift of personal tangible property for which the donor expects a charitable deduction exceeding \$5,000 must be appraised in accordance with federal tax law. The donor will be responsible for obtaining and paying for such appraisal.

*Procedures for Accepting Personal Tangible Property* The following procedures apply to all proposed gifts of personal tangible property:

- The Foundation will review all prior appraisals and authentication documents, if any, relating to the property.
- If the property is to be sold, the Foundation will ascertain the market for such property and estimate the costs to be incurred in connection with the sale as well as the costs of holding the property prior to sale.
- All costs incurred by the Foundation in connection with the holding and sale of the property shall be charged against the sale proceeds, with the balance being credited to the fund to which the property has been contributed.

#### Life Insurance

*General* The Foundation may accept gifts of life insurance policies so long as: (a) the policy is not encumbered (i.e., there is no outstanding loan against the policy); and (b) the Foundation is made the policy's owner and primary beneficiary. When premium payments can no longer be made because there is insufficient value in the policy to keep it in force, or because the Foundation chooses to discontinue premium payments, the policy will be surrendered. The Foundation may accept gifts of life insurance policies in any amount to any existing fund. Gifts of life insurance policies to establish new component funds at the Foundation must meet the applicable minimum funding requirement.

*Appraisal* Each gift of life insurance policy giving rise to a charitable deduction of more than \$5,000 must be appraised in accordance with federal tax law.

#### **Additional Considerations For Acceptance Of Illiquid Assets**

In connection with the acceptance of many types of illiquid assets, the Foundation may incur costs such as unrelated business income tax, fees or commissions associated with the sale or liquidation of assets, asset management and holding costs, consultant fees or other expenses outside the normal scope of the Foundation's administrative costs. Accordingly, as a condition of the Foundation's acceptance of the gift, the Foundation may require a pledge or other written agreement between the donor and the Foundation that provides for the payment of all or a portion of any such costs or expenses, including unrelated business income taxes, to the extent there is insufficient cash in the donor's fund to which the asset(s) have been donated to cover such costs.

### **Deferred Gifts & Planned Giving**

These are gifts whose benefit does not fully accrue to the Foundation until some future time, or whose benefits are split with non-charitable beneficiaries. Foundation representatives are authorized to solicit direct charitable gifts through wills, as well as contributions to establish gift annuities or charitable trusts. The Foundation will work closely with donors and confer with financial advisors, at the request of the donors, to realize these gifts. In cases where the gifts are complex, the Executive Director may request review by the Gift Acceptance Committee.

#### Bequests

The Foundation accepts bequests from donors who have directed in their wills that certain assets be transferred to the Foundation and honors the wishes of the donor as expressed, but reserves the right of refusal as necessary and appropriate. Sample bequest language for restricted and unrestricted gifts is available from the Foundation, to donors and/or advisors, upon request. Future fund agreements may be signed and placed on file. The Foundation may not be named as Executor for a donor in his/her will and will not serve if named. The Foundation may create a named fund in memory of the donor, if there is no stipulation for anonymity.

A will or trust should include the following information:

- The name of The Community Foundation of the Dan River Region, a Virginia nonprofit corporation located at 541 Loyal Street, Danville, VA 24541.
- The name of the fund assets should be applied to. This may be a new or existing fund. In the case of a new fund, the purpose of the fund should be defined unless the fund is to be unrestricted.

Unrestricted bequests that do not specify an existing or new fund will be allocated according to the Foundation's Board of Directors discretion.

#### Retirement Plans or IRA Accounts

Donors may make lifetime gifts of retirement assets or name the Foundation as the beneficiary of their plan. Retirement plans include, but are not limited to, Individual Retirement Accounts (IRA), 401(k), 403(b), and defined contribution plans.

#### Life Income Gifts

The Foundation will work closely with donors to implement planned giving options that provide income to a donor or his/her designees, as well as financial benefit to the Foundation (split-interest gifts). Options include:

**Charitable Remainder Trusts (CRT)** This trust makes payments to one or more beneficiaries for their lifetimes, or for a fixed term, or a combination of both. Assets are put into a trust, beneficiaries are paid, and when the trust

term ends, the remainder in the trust passes to the Foundation for its charitable purposes. The donor names a Trustee to manage the trust and determines whether the payout will be fixed (a charitable remainder annuity trust (CRAT)) or variable (a charitable remainder unitrust (CRUT)). Trusts can be set up during the donor's lifetime or by will. The Foundation encourages donors to consult their own legal counsel and tax advisors to create a charitable remainder trust. At the donor's request, the Foundation will confer with his/her advisors to assist in establishing the trust from which it will ultimately benefit. The Foundation will not serve as Trustee of the trust.

**Charitable Lead Trusts (CLT)** This trust first makes distributions to the Foundation for a specified period, with the remainder reverting to the donor or another beneficiary at the end of the period. It may be set up during one's lifetime or in a will. The Foundation will work closely with the donor and/or his advisor to create the trust, but will not serve as Trustee.

**Life Estates** A donor may wish to contribute a personal residence or farm to the Foundation and retain the right to use the property until death. Upon the donor's death, the Foundation owns the entire interest in the property.

## **Real Property Donation Checklist**

1. Exact legal name of donor and federal identification number.
2. Description of property (copy of deed).
3. Description of any buildings or other structures located on the land.
4. Boundary survey of property with location of all structures, easements, and encumbrances appearing on the face of the survey.
5. Information regarding existing zoning status.
6. Information on all ingress/egress for the property.
7. Description of prior use of the property.
8. Description of use of surrounding property, with specific disclosure of any storage tanks or potential environmental factors affecting the property.
9. Disclosure of any contemplated or anticipated condemnations, right-of-ways or other actions by municipalities that may affect the subject property.
10. Phase I environmental report on the property, including environmental report on any structures located on the real estate.
11. Evidence of title, such as title examination and report, title insurance commitment, or schedule describing any liens, encumbrances, or title matters affecting the property.
12. Copy of appraisal showing the fair market value of the property current within sixty days.
13. Disclosure of amount of existing real estate taxes, insurance premiums, and assessments attributable to the property.
14. Discussion with proposed donor regarding any special arrangements for donor's fund or other sources to address ongoing expenses for taxes, insurance, assessments, maintenance, grass cutting, security, utilities, and similar items.

## **Real Property Inquiry Form**

### **I. General Information**

Owner(s)	Phone
Address	
Property Location	
Land area (acres or square feet)	
Building area (sq. ft. each floor)	
Zoning	
Replacement cost of building	
Current property insurance coverage	
Date of acquisition/form of acquisition	
Current cost basis (includes improvements)	
Principal balance of mortgage	Current fair market value
Assessed value for real estate taxes	
Real estate taxes	
Land value	Building value
Most recent appraisal (date)	Appraised value
Appraiser	
Occupancy status after transfer of title to charity	
Unimproved (no buildings)	
Unoccupied (building, but not occupant)	
Occupied (building with occupants)	

Please indicate by checking "yes" your awareness of any condition or problem which may affect the title or marketability of the property. Use Section VII to provide additional information.

<b>II.</b>	<b>Title/Zoning</b>	<b>Yes</b>	<b>No</b>
A.	Title	_____	_____
B.	Zoning variances, violations or special permits	_____	_____
C.	Zoning violations	_____	_____
D.	Restrictions or easements	_____	_____
E.	Survey available	_____	_____
<b>III.</b>	<b>Condition of Building</b>	<b>Yes</b>	<b>No</b>
A.	Foundations/slab	_____	_____
B.	Basement water/dampness/sump pump	_____	_____
C.	Roof leaks	_____	_____
D.	General structural	_____	_____
E.	UFFI (formaldehyde insulation)	_____	_____
F.	Asbestos	_____	_____
G.	Lead paints	_____	_____
H.	Termites/ants/pests	_____	_____
I.	Swimming pool	_____	_____
J.	Radon	_____	_____
K.	Building systems	_____	_____
1.	Plumbing	_____	_____
2.	Electrical	_____	_____
3.	Heating	_____	_____
4.	Air conditioning	_____	_____
5.	Hot water	_____	_____
6.	Water supply	_____	_____
7.	Sewage; type	_____	_____
8.	Other fixtures	_____	_____

<b>IV.</b>	<b>Rental/Condominium/Cooperative</b>	_____	_____
A.	Building systems	_____	_____
1.	Leases	_____	_____
2.	Rental arrears	_____	_____
3.	Last month's rent/security deposit	_____	_____
B.	Common area fees in arrears	_____	_____
C.	Building or sanitary code violations	_____	_____
D.	Operating/capital budget	_____	_____
<b>V.</b>	<b>Environmental</b>	<b>Yes</b>	<b>No</b>
A.	History of property		
1.	Property has prior or current use for industrial, commercial, agricultural, manufacturing, waste disposal or any other non-residential purposes	_____	_____
B.	Condition of property		
1.	Stressed or denuded vegetation or unusual barren areas	_____	_____
2.	Discoloration, oil sheens, or foul/unusual odors in water	_____	_____
3.	Storage drums	_____	_____
4.	Above or underground storage tanks; vent or filler pipes	_____	_____
5.	Evidence of oil or other chemicals in soil	_____	_____
6.	Evidence of PCBs	_____	_____
7.	Evidence of toxic air emissions	_____	_____
C.	Adjacent properties		
1.	Properties adjacent or close to subject have conditions requiring "yes" answer to any questions in (A) and (B) above	_____	_____
D.	Flood plain/wetlands/drainage	_____	_____

E. Endangered plants or wildlife \_\_\_\_\_

Are you aware of any other information concerning any part of the  
land or buildings which might affect the decision of a buyer or affect  
value of property or affect use by buyer? \_\_\_\_\_

## VI. Property Expense Budget

To hold this property as a Foundation asset, the following income and expenses are anticipated:

A.	Income	Annual
1.	Rent	_____
2.	Other	_____
B.	Expenses	_____
1.	<u>Real estate taxes:</u>	
	First payment due _____ (date) _____	
	Second payment due _____ (date) _____	
2.	<u>Utilities:</u>	
	Gas	_____
	Oil	_____
	Electric	_____
	Water/sewer	_____
	Other	_____
3.	<u>Services:</u>	
	Caretaker/property manager	_____
	Landscaping	_____

Heating/cooling service contract \_\_\_\_\_

Snow removal \_\_\_\_\_

Pool services \_\_\_\_\_

Common area charge (condominium) \_\_\_\_\_

Security \_\_\_\_\_

Other \_\_\_\_\_

4. Maintenance/Repairs \_\_\_\_\_

5. Insurance \_\_\_\_\_

**Total Expenses**

**Net Income (Loss)**

**VII. Additional Information on Sections II through VII**

**VIII. Acknowledgments**

Owner(s) hereby acknowledge that the information set forth above  
is true and accurate to the best of my (our) knowledge

\_\_\_\_\_ Date \_\_\_\_\_

Owner

\_\_\_\_\_ Date \_\_\_\_\_

Owner

*Revision History: Adopted by Board 9.22.2003; revised and Board approved 6.25.2012; revised and Board approved 3.27.2017; revised and Board approved 6.21.2021; revised and Board approved 6.12.2023.*

**Community Foundation of the Dan River Region**  
**Cash Availability Statement**  
**As of April 30, 2025**

<b><u>Cash Available Non-Endowed</u></b>	<b><u>Interest Rate</u></b>	<b><u>Current Balance</u></b>
Atlantic Union Bank-Checking (7406)	0.03%	\$ 269,813.90
Edward Jones-Certificate of Deposit (73-1-0) 3.3% interest, matures 8/18/2025, balance as of 3/31/2025	3.30%	\$ 118,760.03
Atlantic Union Bank Non-Endowed Money Market (6607) (Temporary funds and deposits in transit)	0.46%	\$ 86,420.07
First Citizens Credit Card Checking (0-645)	0.00%	\$ 1,600.00
Atlantic Union Investment Management Account #2 (1701)		
Agency Emergency fund		\$ 25,071.42
Emergency Preparedness fund		\$ 266,274.80
Administrative fund		\$ 1,082,338.88
	4.22%	\$ 1,373,685.10
<b>Total Non-Endowed Cash Available</b>		<b>\$ 1,850,279.10</b>

<b><u>Cash Available Endowed (Investment In Pool)</u></b>		<b><u>Current Balance</u></b>
Atlantic Union Bank-Endowed Flow Thru Money Market (8307)	0.50%	\$ 76,911.60
Atlantic Union Investment Management Account #3 (1704)	4.22%	\$ 2,681,515.93
Atlantic Union Investment Management Account #1 (1707)		\$ 130,534.40
Atlantic Union Peregrine Custody Account (1700)		\$ 22,055.05
BOA Trust Cash/Currency cash balance (2367), balance as of 3/31/2025	4.27%	\$ 46,734.15
Wells Fargo Advisors cash (6036 & 8410), balance as of 3/31/25	4.16%	\$ 47,147.14
<b>Total Investment In Pool Cash Available</b>		<b>\$ 3,004,898.27</b>

<b><u>Estimated Endowed Upcoming Cash Needs</u></b>	
Endowed Grant/Scholarship Distribution- July 15, 2025	\$ 565,000.00
Quarterly Administrative Fees- July 1, 2025	\$ 155,000.00
<b>Total Endowed Upcoming Cash Needed by July 1, 2025</b>	<b>\$ 720,000.00</b>
<b>Cash Available After Distribution</b>	<b>\$ 2,284,898.27</b>

\*The estimated endowed cash needs for this quarter are approximately \$720,000. This includes the quarterly administrative fees and grants due to be paid out at the beginning of July. Money will need to be transferred to the Atlantic Union checking account to cover all checks written. These funds will be withdrawn from the Atlantic Union Endowed Flow Thru Money Market or Investment Management Account #3 of which there are sufficient funds already in cash. There is no need to liquidate funds from the investment pool.

# **The Cash Availability Statement Explained**

The Cash Availability Statement lists all bank and brokerage accounts with liquid assets. The accounts are grouped according to whether they include endowed or non-endowed funds.

## **Non-Endowed Funds**

The Atlantic Union Bank checking account (7406) is used to pay operating expenses as well as approved grants and scholarships. This account is funded through the rebalance process which is done at the end of the month or when needed. The goal is to keep 20% of the Administrative Fund used for operational purposes in the checking account.

The Atlantic Union non-endowed money market account (6607) is used for all gift deposits. No checks are written on this account. The balance includes acorn funds, pass-through funds, and endowed fund gifts to be invested. Transfers are made through the rebalance process.

The First Citizens credit card checking account (0645) receives gifts made by credit card through Network for Good. Money is periodically transferred by written check to the AMNB non-endowed money market account.

The Atlantic Union Bank IMA #2 account (1701) was opened to receive a higher interest rate and includes 100% of the Emergency Preparedness Fund, 100% of the Agency Emergency Fund and 80% of the Administrative Fund (the other 20% remains in the Atlantic Union Bank checking account (7406).)

## **Endowed Funds**

The Atlantic Union Bank endowed flow-thru money market account (8307) is used as a pass through for all deposits and withdrawals from endowed funds.

Atlantic Union Bank IMA #1, AUB Peregrine Custody account, Wells Fargo Custody and BOA Trust Cash accounts are cash accounts of endowed funds within the investment pool.

The Atlantic Union Bank IMA #3 account (1704) was opened to receive a higher interest rate and for the flexibility to incorporate cash management strategies when funding endowed fund grants and scholarships. The balance in this account at the beginning of the fiscal year should be at least 4% of all endowed funds.

## Governance Nominations -25/26 FY

Board: Anne Foster

Board: Debra Hairston

Board: Paul Fox

Board: Lisa Francisco

Board: Jeff Bond

President: Vince Kania

Vice President: Rick Dixon

Past President: Steve Bass

Secretary: Kunal Patel

Treasurer: Sheila Williamson-Branch

At-Large: Kerri Burchett

Finance Chair: Bill Riddle

Distribution Chair: Elizabeth Hurt



# Community Foundation *of the* Dan River Region

## **Distribution Committee Report - PENDING Board Meeting June 16, 2025**

**Need one Board motion approval for the following scholarships and grants with a grand total of \$564,678.**

- ❖ The Distribution Committee recommended 165 scholarships for a total of \$369,584. These scholarships are for the 2025-2026 academic year. Scholarship checks will be mailed to the colleges/universities by July 31.

### **Donor Advised:**

- ❖ **Christian Charities Fund - \$7,500**
  - Transitions Pregnancy Solutions - \$4,000 – general operations
  - The Community Foundation of the Dan River Region - \$3,500 – Board Endowment Fund
- ❖ **Moses & Louise A. Merricks Fund – \$5,200**
  - Mount Cross Volunteer Fire and Rescue, Inc. - \$3,200 – unrestricted
  - Young Life of Pittsylvania County VA 265 - \$1,000 – unrestricted
  - Danville Pittsylvania County Cancer - \$1,000 – unrestricted

### **Designated:**

- ❖ **Mr. & Mrs. P. L. Anderson, Jr. Family Fund – \$99,000**
  - First Baptist Church – \$49,500 (50%) - unrestricted
  - Salvation Army - \$19,800 (20%) - unrestricted
  - PATHS - \$14,850 (15%) - unrestricted
  - Boys and Girls Club of Danville - \$14,850 (15%) – unrestricted
- ❖ **Board Endowment Fund – \$24,100**
  - The Community Foundation of the Dan River Region - \$24,100
- ❖ **Boys & Girls Clubs Endowment Fund – \$18,100**
  - Boys & Girls Clubs - \$18,100 - unrestricted

❖ **Danville Symphony Orchestra Endowment Fund – \$2,200**

- ❖ Danville Symphony Orchestra - \$2,200 – unrestricted

❖ **Danville Historical Society Endowment Fund - \$1,900**

- Danville Historical Society - \$1,900 - unrestricted

❖ **Cora Taylor Younger Smith Fund – \$28,500**

- Berea College, Berea, Kentucky – \$9,500 - unrestricted
- United Negro College Fund – \$9,500 - unrestricted
- American Indian College Fund – \$9,500 - unrestricted

❖ **Sam and Margaret Kushner Fund – \$1,600**

- Temple Beth Sholom - \$1,600 - unrestricted

**Field of Interest:**

❖ **Kang-A-Rhue Children's Cancer Fund – \$2,500**

- Danville Pittsylvania Cancer Association - \$2,500- to enrich the lives of area children with chronic and life-threatening illnesses and their families, with a major focus on those children with cancer

❖ **Jack W. Hall Memorial Fund - \$3,800**

- Southern Area Agency on Aging - \$3,800 – to provide support for medication and other necessary assistance to persons suffering from chronic kidney and renal diseases and disorders

❖ **Gideon Miller Cancer Fund – \$900**

- Halifax County Cancer Association - \$900 - to meet the needs of area cancer patients and their families

**TOTAL for Recommended Scholarships and Grants: \$564,678**

**Schedule for upcoming 2025-2026 grant cycle:**

Grant cycle opens June 1, 2025

Application deadline July 31, 2025



# Telework Policy and Agreement

Pending Board Approval June 16, 2025

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## **Purpose:**

This policy establishes conditions for permitting an employee to qualify for and continue to exercise the privilege of teleworking. The Foundation reserves the right to revise the content of this agreement or its terms, in whole or in part, at its discretion.

## **Definition of Supervisor:**

For purposes of this Telework Policy, **the supervisor is a representative of The Foundation.** The supervisor for Foundation staff is the Executive Director. The supervisor for the Executive Director is the Board President.

## **Safety:**

Employee will verify the safety of an alternate worksite using the safety checklist of this agreement.

Employee is covered by The Community Foundation of the Dan River Region's Workers' Compensation Policy, if injured while working at the alternate worksite.

Employee agrees to bring to the immediate attention of his/her supervisor any accident or injury that occurs while working at an approved alternate work location.

Supervisor will investigate all accident and injury reports immediately following notification.

**The Foundation Supervisor** reserves the right to inspect the alternate work location to ensure safety standards are met.

## **Confidentiality:**

Employee agrees to apply safeguards to protect Foundation records from unauthorized disclosure or damage.

Employee will conduct work at the alternate work location in compliance with **all The Foundation's policies information security standards.**

## Work Standards and Performance:

Position requirements and responsibilities will not change due to ~~telecommuting~~ telework privileges. Workers face the same expectations in relation to professionalism, work output, and customer service, regardless of where the work is being performed.

Employees ~~are~~ is expected to abide by the following general rules:

- Be transparent about ~~your~~ availability and keep ~~your~~ calendar and availability status up to date, indicating when ~~you are~~ online and offline.
- Maintain strong communication by conducting regular check-ins with ~~your~~ manager and co-workers.
- Request PTO when ~~you intend to be~~ away from work.
- Set up a dedicated workspace to allow ~~you~~ the most focus as possible.

Employee may be required to work at ~~The Foundation the central work location~~, or specified locations (such as Grant Reception location) on scheduled remote work days based on operational requirements.

~~Employee agrees to perform telework at The Foundation approved alternate work locations and times defined in this policy.~~

Telework for unplanned or temporary circumstances such as school closing, family illness, etc. may be approved by ~~Foundation~~ supervisor.

## Compensation and Benefits:

All pay/salary rates, leave/retirement benefits and travel reimbursements will generally remain as if the employee performed all work at the employee's established base work location.

~~Non-exempt employee must obtain supervisory approval prior to working hours outside of normal work week.~~

~~A non-exempt employee who teleworks approved overtime at the direction of a supervisor will be compensated in accordance with applicable law and state policy.~~

~~Employee understand that supervisory approval must be obtained prior to working overtime hours (if non-exempt).~~

Employee must obtain supervisory approval ~~prior to before~~ taking leave in accordance with ~~established~~ Foundation policies ~~procedures~~.

## Equipment and Expenses:

Employee who borrows Foundation equipment agrees to protect such equipment in accordance with Foundation guidelines.

If employee provides their own equipment, employee is responsible for servicing and maintaining it, ensuring security standards of CFDRR are met.

The Foundation will not be liable for damages to an employee's personal or real property during the performance of assigned work or while using Foundation equipment in the employee's residence.

The Foundation is not obligated to assume responsibility for operating costs, home maintenance, or any other incidental costs in the use of employee homes or other alternate work locations for telework.

### **Initiation and Termination of Policy:**

The ~~Foundation~~ supervisor and employee understand that telework shall be governed by the same Foundation personnel policies as those applicable to employees at the Foundation's central workplace except as modified by this policy.

The ~~Foundation~~ supervisor may terminate this telework agreement at any time. Agreement may be terminated for reasons to include, but not limited to, declining performance and organizational benefit.

The employee may terminate this telework agreement at any time unless telework is a condition of employment. Two weeks' notice to The Foundation should be provided unless there are unexpected or extreme changes to circumstances.

This telework policy and agreement should be reviewed and updated ~~every~~ biennially ~~annually~~.

### **Foundation Specific Terms and Conditions:**

~~For staff, exercising the telework option will be at the discretion of the Executive Director. For the Executive Director, exercising the telework option will be at the discretion of the Board President.~~

Special projects or meetings can preclude this option.

The employee must give two weeks' notice to supervisor, in writing, to request approval to change telework location or schedule.

~~If The Foundation needs to inform the employee of the need to shift to limited telework, they will be informed in writing by their supervisor.~~

~~If The Foundation determines the need to alter telework schedule of employee, supervisor will inform employee in writing.~~

*Policy Revision History: Adopted by Board 6/12/2023; revised and approved by Board 6/16/2025.*

## Telework Agreement

### Employee Information:

Name: \_\_\_\_\_  
Work Title: \_\_\_\_\_  
Supervisor Name: \_\_\_\_\_  
Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

### Telework Location Information:

Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
Telework Location Phone Number: \_\_\_\_\_  
Telework Location Description: \_\_\_\_\_

### Remote Work Schedule:

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_  
Day of the week: \_\_\_\_\_  
Schedule: \_\_\_\_\_

### Safety Checklist:

The employee will designate a workspace as the home office and will maintain this workspace in a safe condition, free from hazards and other dangers to people and equipment. Employees must certify the following safety items for the area that they have designated as their telework workplace.

#	General	Yes	No
1	Temperature, ventilation, lighting, and noise levels are adequate for maintaining a work location		
2	Electrical equipment is free of recognized hazards that would cause physical harm (frayed, exposed, or loose wires; loose fixtures; bare conductors; etc.)		
3	Electrical system allows for grounding of electrical equipment (three prong receptacles).		
4	File drawers are not top-heavy and do not open into walkways.		
5	Work location space is free of excessive amounts of combustibles.		
6	Phone lines, electrical cords, and surge protectors are secured under a desk or alongside a baseboard.		
7	All stairs with four or more steps are equipped with handrails.		
8	Floors are clear and free from hazards. Carpets are well secured to the floor and free of frayed or worn seams.		

### Employee Acknowledgement:

I have read and agree to the terms of this remote work policy, and I agree to the duties, obligations, responsibilities, and conditions outlined herein.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_ Date: \_\_\_\_\_



## **SAMPLE AGENCY ENDOWMENT FUND AGREEMENT**

**THIS AGREEMENT**, made this \_\_\_\_ day of \_\_\_\_, 20 \_\_, between the \_\_\_\_\_ (“Agency”), a corporation established under the nonprofit corporation law of the Commonwealth of Virginia, and The Community Foundation of the Dan River Region (“The Foundation”), a Virginia community foundation.

**WHEREAS**, the Parties to this Agreement have a common interest in the welfare of the Dan River Region and in serving charitable purposes for the benefit of the community (*can be more specific about community served*).

**WHEREAS**, The Foundation has been established with a principal purpose to receive and administer funds as endowments for various charitable purposes and organizations in the community. Agency desires to establish a fund with The Foundation in the nature of an endowment to provide income and long-term protection for its operations.

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the Agency irrevocably gives to The Foundation the property set forth in Schedule A, subject to The Foundation’s policies and guidelines for agency funds and the terms and conditions below:

**FIRST:** The Fund is hereby established on the books of The Foundation and perpetually recognized as the \_\_\_\_\_ (“the Fund”).

**SECOND:** The Fund shall be used for support of the charitable purposes of Agency and its affiliated agencies (if any).

**THIRD:** The Foundation will hold, administer, and invest the Fund, will collect the earnings and will provide grants for the Fund’s purpose in accordance with The Foundation policies for endowed Funds, which are intended to preserve and grow the value of the Fund’s principal over time.

**FOURTH:** The Fund is to be a component fund of The Foundation subject to The Foundation’s governing instruments, and not a separate trust, including The Foundation’s variance power. Nothing in this agreement will affect the status of The Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code.

Agency Representative Initials \_\_\_\_\_

**FIFTH:** The Fund shall include the property received with the execution of this Agreement, such additional property as may from time to time be transferred to The Foundation by the Agency for inclusion in the Fund, such additional property as may from time to time be transferred from any other source for inclusion in the Fund and accepted by The Foundation, and all undistributed income from the foregoing property. The Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived from it, in accordance with Policies and Procedures, the Articles of Incorporation, and Bylaws of The Foundation (as they may be amended from time to time), and the terms of this Agreement.

**SIXTH:** The Foundation will assess administrative and investment management fees against the Agency Fund in accordance with The Foundation's published fee schedule, as amended from time to time. The Foundation may also assess the Fund to cover any unusual expenses incurred in connection with the contributed assets, including the cost of disposing of them, and in the administration of the Fund.

**SEVENTH:** Distributions from the fund shall be in accordance with the spending policy established by the Board of The Foundation-

**EIGHTH:** In transferring its property to the Fund, Agency intends to create a permanent endowment. However, distributions in excess of the amount dictated by The Foundation's spending policy may be made to Agency as determined by The Foundation's Board, provided one of the following conditions is met: (1) the distribution is for the purpose of enabling Agency to acquire or renovate a capital asset; (2) Agency is faced with unexpected financial needs that are not likely to recur, and the distribution will enable Agency to meet those needs. Recommendations for such distributions may be made by Agency to The Foundation's Distribution Committee ("Committee").

**NINTH:** The Foundation shall promptly notify Agency of any decision made to exercise variance power. Notification of the exercise of the power shall be delivered in writing to the last known address of Agency within 30 days following the Board's decision. The Foundation shall also notify Agency if it becomes aware of any other action instituted or proposed by any person to vary the purposes, uses, or method of administration of the Fund.

**TENTH:** If The Foundation ceases to be a qualified charitable organization or if The Foundation proposes to dissolve, the assets of the Fund shall, after payment or making provision for payment of any liabilities properly chargeable to the Fund, be distributed to Agency. If Agency is not then a qualified charitable organization, said assets shall be distributed in such manner and to such organization or organizations in the community as satisfies the requirements of a qualified charitable organization and serves purposes similar to those of Agency.

Agency Representative Initials \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

By: \_\_\_\_\_

Agency Board Representative

Gratefully accepted for The Foundation of the Dan River Region

By \_\_\_\_\_

Executive Director

Agency Representative Initials \_\_\_\_\_



## Schedule A

\_\_\_\_\_ Fund

Is established

Through a transfer of

\_\_\_\_\_

\$ \_\_\_\_\_ (gift amount)

Agency Representative Initials \_\_\_\_\_

### **Policy change recommendation**

I recommend changing the vacation policy to read that employees receive three weeks of vacation starting at 3 years of employment instead of 5.

Reasoning:

We don't hire new people. We hire people with years of experience in the workplace. Once someone has been with us for 3 years, I believe the odds are good that they are going to stay and we should have a vacation plan that reflects their experience before the foundation.

### **Bereavement Leave question.**

I am including a copy of the Bereavement Leave Policy. My uncle passed away. He was a close family member. I read the policy as being specific to what relations are worthy of a bereavement leave. I have used my 5 days of vacation time. I would like to request one of three options.

1. Make an exception and allow me to use Bereavement leave for the two days I was not in the office.
2. Modify the policy to be more flexible and have it be retroactive.
3. Allow me to use two days of vacation from my next drop of vacation retroactively.

### **Marshall Fund Recognition**

I think it would be worthwhile to recognize the gift from Mr. and Mrs. Marshall by naming something after them. I think it would be appropriate to name a room or even the building after them to recognize the significance of their gift. The gifts from Mr. and Mrs. Marshall are the largest gifts we have received so far and are significant enough that they deserve recognition. I have talked with Pat Marshall, their daughter, and she is supportive of the idea.

## **Annual Leave and Sick Leave Time Policy**

Board Approved September 25, 2023

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### **I. OBJECTIVE**

To provide a quality-of-life benefit for all employees, recognizing the needs of employees and of their families.

To provide all full-time employees with paid time away from work that can be used for vacation, personal illness or to care for dependents.

To provide employees with flexibility in how they use their time away from work.

To provide the Board of Directors with an understanding and assurance that employees will be treated consistently and uniformly with respect to benefit programs.

### **II. ANNUAL LEAVE POLICY**

A. Eligible employees (i.e., regular full-time employees) earn annual leave as follows:

- A new employee will earn five days of annual leave after a probationary period of 90 days.
- A year, in the case of annual leave, will be defined as the time between hire date anniversaries.
- Moving forward, annual leave will be earned on the employee's hire date anniversary.
- A maximum of ten days of unused annual leave may be carried over to the next year.
- Any remaining annual leave, above the ten days that can be carried over, will be paid out to the employee in the pay period following the hire date anniversary. Unused annual leave of ten days or less must be carried over and will not be paid out.

<b><i>DAYS/YEARS OF SERVICE</i></b>	<b><i>TOTAL ANNUAL LEAVE</i></b>
Ninety (90) days until 1 year	Five (5) days
One (1) year until five (5) years	Ten (10) days
Five (5) years until ten (10) years	Fifteen (15) days
Ten (10) years forward	Twenty (20) days

- B. Should an employee resign during the year, and if they give proper notice and are in good standing, they shall be paid for all remaining annual leave time for the year.
- C. Employees should make written application to the Executive Director for the use of annual leave. Annual leave must be scheduled reasonably in advance using the Leave Request Form, and requests must have supervisory approval, except in the case of illness, or emergency. The Executive Director must also schedule his or her annual leave reasonably in advance using the Leave Request Form, except in the case of illness or emergency. The President of the Board shall approve requests for annual leave submitted by the Executive Director. In cases of emergency, for all employees, the form should be submitted as soon as reasonably practicable. A copy of the Leave Request Form request form is attached to this document as Form 1.
- D. Annual leave time should be taken in at least half day increments.

- E. No more than one staff member can be off at any one time. First come, first served will be the policy regarding who gets approval. The Executive Director will have the final say regarding annual leave requests.
- F. Employees should not make requests to be off more than five (5) days at any one time unless a special circumstance exists.

### III. SICK LEAVE TIME POLICY

- A. Eligible employees (i.e., regular full-time employees) earn sick leave time beginning after their ninety (90) day probationary period.
- B. Employees earn one (1) day per month beginning after the 3rd month of employment for a total of nine (9) days in the first year and twelve (12) days every year thereafter.
- C. Employees may carry over sick leave time year to year until a maximum of thirty (30) days total has been banked. An employee may not bank more than thirty (30) days at any one time.
- D. Should an employee resign their employment they will not be paid for any unused sick leave time.
- E. Should an employee be out of work for more than three (3) days, The Foundation reserves the right to request a physician note for the time away from work and a release note to return.
- F. Short periods of time off for a medical appointment or dental appointment will be permitted at the discretion of the Executive Director with no impact on annual leave or sick leave time.
- G. Sick leave time is not earned for periods when unpaid leave is taken, or when short or long-term disability benefits are being received or when worker's compensation benefits are being received.
- H. Sick leave time shall be used by employees when they are not able to report to work due to their illness. Sick leave may also be used to care for dependents when they are sick. Upon return to work, the employee shall complete a Leave Request Form and give it to the Executive Director for approval and record-keeping purposes.

### IV. Other

- A. Annual leave and sick time leave are not earned by temporary or contract employees or those whose job descriptions specifically exclude this benefit.
- B. Multiple unscheduled absences may subject an employee to corrective disciplinary action.
- C. All Foundation employees are responsible for understanding and complying with this policy. Employees confirm their understanding of this policy by signing the Employee Handbook Acknowledgement of Receipt form.



## BEREAVEMENT POLICY

Board Approval September 25, 2023

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It is the policy of The Community Foundation of the Dan River Region to grant bereavement leave to all full-time and part-time employees. Bereavement leave, up to three days, at the discretion of the Executive Director, may be allowed for a death in the immediate family. Any additional time needed may be taken as Annual Leave Time. Temporary employees do not receive bereavement leave. The term "immediate family" includes the following: spouse, partner, child, stepchild, parent, grand-parent, spouse's parent, brother, sister, grandchild or any relative who resides with an employee.

## **ACTIVITY REPORT**

START 2/19/24

### **Fundraising Summary**

\$3,821,736.22 in donations received since 7/1/2024 (this number includes the recurring \$300,000 from DRF and the \$96,132 from interfund transfers).

As of 5/15/2025

Board Giving Participation Rate 82%

Staff Giving Participation Rate 100%

### **Activity**

3/10/2025 Traci hosted the Southern Virginia Land Conservancy Advisory Committee meeting in our Board Room. This connection is an excellent source of meeting Pittsylvania County landowners.

3/25 - Dan attended a DRF "See the possible" trip to Vero Beach, Florida to view a successful Education Collaborative. Visited programs that covered all levels of education. Programs included: Discounted pre-school, public/private elementary School, bi-lingual after-school, sports after school, church based neighborhood reading coaches. Our supporting the Church and Community group is an excellent help to our local goals, but shared by many. Our flexible Read-Write-Work fund is still a good step of support.

3/14 - The scheduled Distribution Committee meeting did not happen because of lack of quorum, but the rescheduled meeting was well attended.

3/17 - Creation of the CFDRR Special Initiatives fund

3/18 - Dan visited the Danville Museum of Fine Arts and History to learn about the updates and discuss their agency fund. I encouraged Sonia, the Executive Director, to take advantage of the agency fund as their endowment fund. The Kushners had asked me to make the trip, I sent a card to report that I had visited. I will ask the Kushners if I can go to a board meeting to talk about the Agency fund.

3/19 - Met with Non Profit Network to clarify their goals for Halifax County. They are looking to become more involved in supporting the non-profits there and are partnering with Mid-Atlantic Broadband to that end.

3/20 - Halifax Chamber annual meeting. Shook hands and laughed at horrible jokes.

3/20 - Gifts to Accountants and Lawyers. Thank you bags of “tax goodies” were taken to professionals that we currently work with, or would like to.

3/21 - Finalize Barbara Shields Collie and John Collie Jr. Scholarship. Barbara Collie started a scholarship for students interested in Business degrees.

3/23 – Dan attended the unveiling of the Famous Caswell Residents mural located in Yanceyville. They had a big turnout.

3/26 – Traci attended the DRF Education Collaborative Meeting.

3/27 – Traci attended the Dan River Nonprofit Network CyberSecurity workshop and presented about the Agency Emergency Fund. Local Nonprofits were getting a presentation about the dangers of cyber-attacks. Traci described to them how the emergency fund might be available depending on their circumstances.

4/2 - Communicated with Parks and Recreation about a standard clause in our performance grant agreement that we need to re-evaluate. The clause requires that if the organization that received a grant ceases to exist, The Foundation reclaims the items they purchased. We granted money to the Westmoreland Neighborhood Organization for bleachers, but we do not want them back if the organization closes, the city will keep them for public use. In the future we will share a revised agreement with the board.

4/9/2025 - Visited with a client of Cameron Starke in South Boston. Interested in starting a designated fund.

4/10 Halifax Chamber of Commerce After Hours event.

4/23-25 Dan attended session 1 of Lead Virginia in Hampton Roads. We visited the Historic Cavalier Hotel, Achievable Dream Academy, LifeNet Health, Norfolk Botanical Gardens, Norfolk Naval Station, Presentation by an Oyster Farmer and Economist from HRPDC, Presentation from HR Bridge Tunnell Expansion, Fort Monroe, HII-NNS Shipyard, Port of Virginia, Sentara Norfolk Hospital, Mariner’s Museum. Great things are happening in the area, but they are still having difficulty with regional cooperation.

4/28 – The Caswell County Chamber annual meeting was cancelled due to lack of commitments to attend.

5/5 - Traci attended the Danville City Schools Graduate of Distinction Program

5/6-7 – Participated in the Home of Future Thinking Conference hosted by DRF and the Harvest Foundation. The results of the meeting were groups were formed to focus on collaborating in efforts that benefit everyone.

5/7 – Distribution Committee Meeting.

5/8 - Dan met with consultant for the Southern Virginia Regional Alliance. An economic Development group. It is a feasibility study to raise \$2M to connect the economic development efforts of Danville, Patrick, Pittsylvania, Halifax, and Mecklenburg. Currently Linda Green would be the flag bearer. If it carries forward there will be a CGC request for funding for dedicated staff and marketing.

5/8 - Dan attended the Pittsylvania County Schools Graduate of Merit Program. Our sponsorship recognized four students who were recognized on our social media.

5/13 – Attended the United Way annual meeting.

5/13 - Staff received a tour of the Institute for Advanced Learning and Research, especially the Advanced Training in Defense Manufacturing program. We used it as a staff retreat including lunch at the Megabytes café. The IALR are making renewed efforts to teach the public about the good things happening at the IALR.

5/14 – Attended a Caswell Schools 101. They had a presentation on how funding works for public schools in North Carolina. I was able to talk with the new superintendent of schools.

5/15-17 – Dan attended part II of Lead Virginia in Danville and South Boston. We visited Smokestack Theater, High Street Baptist Church, Dan River Falls, Hitachi, PATHS, Southern Virginia Higher Education Center, and the IALR.

5/19 – Past President's Breakfast – Steve and I hosted 11 Past Presidents. I offered an update of happenings at The Foundation. Our Keynote Speaker was Seth Lynn, our Dahab representative. Steve Bass thanked them for their service and reminded them of the impact we have on the community because of people like them.

5/19 – Finance Committee Meeting

5/19 – Dan and Steve attended a community leadership introduction to Dr. Thomas Powell, the new President of Averett University. He spoke candidly with us about the difficulty of the situation and thanked us for our support.

Distribution Committee – Discussions

- Reviewing the Grant and Scholarship rubrics to make them clearer for reviewers

- Discussion surrounding designating percentages for categories of the Competitive Grant Cycle. Part of an effort to help direct the funding process.
- Making Halifax county a part of the competitive grant cycle.
- Should we discourage recipients of Marshall Fund money from participating in the competitive Grant cycle.
- Should we allow multi-year grant requests. Especially for the Marshall fund.

#### Finance Committee – Discussions

- Making Payments by ACH.
- Expecting another \$6M as a final payment in 2025 from the Marshall Estate.
- CFDRR Special Initiatives Fund funding established.
- Even with Market Activity we are in good shape on our investments.
- Closing a checking account at First Citizens.

#### Ongoing

meetings with The Education Collaborative -

Scholarship Review and Selection Process, please join us for the Reception on June 1 at the Recreation Center in Chatham.

#### **New Engagements**

Lee Farmer – Presented him with his service plaque and asked him for contacts in Caswell County.

Jerry Buckner – He serves as treasurer of the Veterans Memorial. Discussed funding and succession planning.

Tony Durden – Sheriff in Yanceyville

Fred Smith – VFW President in Yanceyville

John Hughes – VPO at IALR

Howard Bolton – CPA and regular sponsor of Donor Appreciation Luncheon

**Social Media** - Emily has been pushing regular content that is promotional and educational. Please follow, share, and Like

### **E-Newsletters**

**February** – Fund for Halifax announcement, gift matching, scholarship and grant deadlines

**March** – Quarterly grant recipients, Education: Agency Endowment funds, scholarship review, CGC warning.

**April** - Quarterly Grants article that linked to an online article. Fund education about Acorn funds, and a notification about software update for grants,

### **Update**

There is an Arts and Cultural Foundation in Roanoke - It seems to be very similar to our Arts and Culture fund. I would like to see us start to make the talk around town that we don't need a separate organization, but we need to develop the fund here. They currently have \$7M with a goal of \$20M

### **Housekeeping**

New AC Unit installed for upstairs

END 5/23