



United Way of Portage County
Endowment

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Case For Giving

Organizational Overview

The United Way of Portage County, Inc. is a not-for-profit corporation, chartered in Wisconsin in 1945 and incorporated in 1949 to mobilize resources, research and define community needs, create lasting community change, and ultimately - improve lives. United Way of Portage County is one of roughly 1,200 local United Ways, each governing itself through local leadership.

Mission: The United Way of Portage County brings people and resources together to achieve measurable results that improve people's lives and strengthen our community.

United Way distributes funds to direct services programs in the following areas:

- **Education:** Preparing our children for success in school and life
- **Income:** Advancing opportunities for people to maintain independent living and move people toward financial stability
- **Health:** Improving the mental and physical health of members of our community
- **Community Basics:** Ensuring people's basic needs of food, shelter, safety and community connections are met

Throughout its history, United Way of Portage County has held fast to four core values that have helped shape how we operate. These values are:

- **Integrity:** In our relationships with our stakeholders -- donors, agencies, individuals and the community – we hold ourselves to the highest ethical and moral standards.
- **Volunteer Leadership:** Volunteers establish the policies for the organization and set the vision for the future.
- **Help those in need locally:** We focus the community's resources on helping local residents improve their lives.
- **Stewardship:** We are committed to ensuring that resources placed into our care will be managed in the most effective and efficient manner.

Approximately thirty volunteer Board of Directors who live and work in Portage County govern the organization. The board determines the policy and direction of the agency. United Way staff members implement the decisions of the board and ensure that the processes of the organization operate as directed. United Way of Portage County employs the assistance of hundreds of local volunteers in a variety of areas including fund raising, fund distribution and community investment, campaign, marketing, financial oversight, and special projects (*such as Project Fresh Start and Make a Difference Day*).



Why United Way?

United Way of Portage County is a thriving organization, one with an excellent track record of success since our beginning in 1945. As an organization we measure success in the following ways:

United Way of Portage County supports over 30 programs that help thousands of local residents each and every year. Annually, community leaders volunteer their time to evaluate needs and priorities in order to assure that your United Way gifts are used effectively and deliver maximum impact.

The following are just a few of the metrics used to deliver effective, efficient services to the community.

- Board mandated low overhead and fund raising expense
- 30 person, all volunteer investment teams analyze funded programs year-round, thoroughly understand community needs and avoid duplication of resources
- Longevity – a trusted community partner for over 70 years
- Dedicated, local volunteer Board of Directors overseeing and supervising activities
- 99¢ of every dollar stays right here in Portage County

When you support United Way of Portage County, you are carrying on a decades-old mission with a tradition of generosity, stewardship of funds and community improvement.

Long-Range Goals

1. **Community Engagement and Vision:** Engage and inspire our community to create a shared vision for the future and set goals for collective action.
2. **Impact Strategies, Resources and Results:** Develop strategies that will achieve measurable and lasting change in community conditions, mobilize necessary resources and put them to work to produce positive results and improve lives.
3. **Relationship Building and Brand Management:** Develop, maintain and grow relationships with individuals and organizations in order to attract and sustain resources to support United Way's mission.
4. **Organizational Leadership and Governance:** Lead the United Way to successfully fulfill its mission, and in doing so, garner trust, legitimacy and support from the local community.
5. **Operations:** Utilize efficient and cost-effective systems, policies and processes that enable the delivery of United Way's mission-related work and ensure the highest levels of transparency and accountability.

Born Learning: Portage County Rural Community Collaboration for Optimal Child Development

HWPP Responsive Component Cohort Five Award

Project Start Date: January 1, 2017
Project End Date: June 30, 2019
Award Amount: \$350,000



Project Change Statement:

Create a change in institutional policy and protocols within each targeted program that will result in a countywide Social Service Triage System, providing coordinated screening, referrals, and intervention for at-risk families of children prenatally to age five.

More at: <http://www.mcw.edu/Advancing-Healthier-WI-Endowment/Funded-Awards/HWPP-Funded-Awards/2017-Funded-Partnership-Awards/Born-Learning-Portage-County-Rural-Community-Collaboration-for-Optimal-Child-Development.htm>

Endowing Your Gift

Suggested Bequest Language: United Way Endowment of United Way of Portage County, Inc. is a 501(c)(3) organization (Federal Id # 39-0831152)

The staff of United Way of Portage County assists donors in identifying giving strategies that will fulfill their personal, family and business goals in conjunction with their long-term charitable goals. United Way is dedicated to finding the most efficient, personally satisfying and financially advantageous method for each donor to make his or her contribution.

Besides cash gifts during a person's lifetime, there are several options in making a planned gift, including many that have significant tax advantages. Should a donor be interested in considering such a gift, it is recommended that they contact their financial advisor or the United Way of Portage County for more information. There are many ways to contribute to the United Way Endowment, including:

❖ **Cash Donation**

The simplest way to support the United Way Endowment is with a gift of cash. Many donors choose to make gifts to honor or memorialize a caring community member or loved one.

❖ **Gifts through a Donor's Will**

A will is by far the most popular and convenient way to make a planned gift to the United Way Endowment. Individuals may make a general bequest of a stated amount or percentage of their estate, or they may make a residuary bequest, which provides for a gift after all other bequests have been satisfied.

❖ **Gifts of Appreciated Securities**

Stocks, bonds, mutual funds and other appreciated securities may be donated to the United Way Endowment. In addition to providing benefit as a current gift, securities may also be part of the planned giving process, depending on the donor's wishes and financial objectives. A popular benefit of such a gift, beyond the charitable income tax deduction, is the avoidance of capital gains tax on the appreciation. Regardless of your income bracket, it is almost always to your advantage to transfer appreciated securities to the United Way Endowment directly, rather than selling them and giving cash. In the case of securities having depreciated in value, in most cases it is advantageous for you to sell the security, take the capital loss for tax purposes, and donate the proceeds. You, your broker or your tax advisor should contact the United Way office to discuss the best method for the transfer of your securities.

❖ **Gifts of Property**

There are two major forms of property: real and personal. Real property is real estate — for example, a home, farm, or vacant land. Personal property includes cash, securities, art, patents, copyrights, and any other non-real property item that has a determinable value.

❖ Life Income Gifts

Increasingly popular methods of giving are the (i) charitable gift annuity, (ii) two basic types of charitable remainder trusts – the charitable remainder annuity trust and the charitable remainder unitrust, and (iii) the charitable lead trust. The assets of the annuity or trust will be used by United Way for the purpose(s) you designate.

(i) Charitable Gift Annuity

The charitable gift annuity is not a trust, but is a contract between United Way and the donor whereby United Way promises to pay a fixed annuity to a maximum of two beneficiaries (*beginning immediately or deferred to a later date*) in exchange for the irrevocable transfer of assets by the donor to United Way. Annuity payments are based on the initial market value of the assets contributed and the ages of the income beneficiaries. A portion of the annuity payment may be considered a tax-free return of principal.

Donors receive annual payments through the investment. Upon the donor's death, the remainder of the gift goes to United Way.

(ii) Charitable Remainder Trusts

a. Charitable Remainder Annuity Trust

The annuity trust can be a good choice for those who want to receive a predictable income each year. The annuity trust pays a fixed dollar amount annually to the beneficiaries based on a percentage of the trust's initial value. This amount cannot change during the duration of the trust.

b. Charitable Remainder Unitrust

In this case, the donor transfers assets to an irrevocable trust that provides yearly, fluctuating income to the donor or other beneficiaries based on a fixed percentage of the trust principal. Trust assets are revalued annually, allowing potential growth in income to the beneficiaries, which can offset the negative effects of inflation over long periods of time. Additional contributions can be made to the unitrust.

(iii) Charitable Lead Trust

A charitable lead trust is the reverse of a charitable remainder trust. Assets are transferred to the trust, which then pays income to United Way of Portage County for a fixed number of years. At the end of the fixed term, the trust assets are transferred to your chosen beneficiaries, such as children.

❖ Retirement Funds, Life Insurance and Bank Accounts

Naming the United Way as a beneficiary is an easy way to make a legacy gift "outside" of a will. Below are a few examples of ways you can use life insurance in your gift planning:

- Name the United Way of Portage County, Inc. as a beneficiary of an existing policy.
- Purchase a new policy for the benefit of the United Way of Portage County, Inc.
- Give a paid-up policy and change the owner and beneficiary to the United Way of Portage County, Inc.

How do you want your gift to give back?

1. Endow Your Annual Gift to United Way

Your gift remains relevant as needs in the community continue to change and evolve. A fixed percentage of earnings is infused into each annual campaign following the receipt of your planned gift.

A one-time gift to the United Way Endowment at one of the amounts listed below will allow your Stevens Society gift to be made to the United Way annual campaign in perpetuity.

An Endowed Gift of:	Provides an Annual Campaign Gift of:	* And Stevens Society Recognition in Perpetuity:
\$1 - \$9,999	\$1- \$499	UW Contributor
\$10,000 - \$14,999	\$500 - \$749	Bronze
\$15,000 - \$19,999	\$750 - \$999	Silver
\$20,000 - \$49,999	\$1,000-\$2,499	Gold
\$50,000 - \$99,999	\$2,500 - \$4,999	Platinum
\$100,000 - \$199,999	\$5,000 - \$9,999	Diamond
\$200,000+	\$10,000+	Tocqueville

** Those who choose to endow their annual gift in perpetuity receive recognition in each of the annually updated Stevens Society "Leaders in Giving" publications upon installment of their planned gift, if they choose to be recognized. The donors name will be highlighted in the in the appropriate gift level section of the publication based on the gift amount to the Endowment.*

2. Special Donor Restricted Endowments

1. A donor restricted endowment may be created with the approval of the GAC. All restrictions must be compatible with and supportive of United Way of Portage County's mission.
2. By contributing at least \$10,000, either with one outright gift or a multi-year pledge (*a minimum of \$1,000 per year*), a permanently named fund can be established. This allows the donor to make an annual gift to United Way or support an area of interest.
3. Distributions shall be subject to the terms of the donor restricted endowment agreement.

Donor Recognition

By planning a gift to the United Way Endowment, donors set an example for other caring, community-minded individuals to follow.

With a gift of \$2000 or more, a donor's name or the name of an individual designated through a memorial will be included in United Way Leadership materials. In addition, these donors can choose to have a brick engraved with their name set in place at the United Circle of Caring Memorial located in downtown Stevens Point.



Flowers placed next to engraved bricks at the United Circle of Caring Memorial in downtown Stevens Point

Outright gifts and upon installment of planned gifts of \$10,000 or more to the Endowment will be reflected individually in the annual Stevens Society "Leaders in Giving" publication. Gift levels are based on annual Endowment earnings distribution.

The Portage County community is a wonderful place to live, to work, and to raise a family. Some of the reasons for this high quality of life are the many vital services that help everyone, especially those in need. Giving to the United Way Endowment is a way for donors to personally ensure that those services will be there for future generations.

To make a contribution please make your check payable to, or direct your bequests or other gifts to, the following:

United Way of Portage County, Inc. Endowment
(Federal Id # 39-0831152)

United Way of Portage County, Inc.
1100 Centerpoint Drive, Suite 302
Stevens Point, Wisconsin 54481
(715) 341-6740

Gift Acceptance Policy

The purpose of the Gift Acceptance Policy for the United Way Endowment is to establish administrative processes to accept and administer gifts in a prudent and efficient manner.

Policy Guidelines

The policy serves as a guideline to the United Way of Portage County staff and volunteers involved with accepting gifts, to outside advisors who assist in the gift planning process and to prospective donors who wish to make gifts to United Way of Portage County. This policy is intended as a guide and allows for some flexibility on a case-by-case basis.

Gift Acceptance Committee (GAC)

When not addressed in these policies, the Gift Acceptance Committee (hereafter “GAC”) has the authority to accept or reject gifts offered to the United Way Endowment. The committee is composed of the Board President, 1st Vice President, Chair of Endowment, and Treasurer. The attorney for United Way of Portage County should be consulted where gifts may carry significant risks or in unique situations. The GAC may ask for Board approval or recommendations.



Billboard located next to Rogers Cinema on Church Street, Stevens Point to promote the United Way Endowment - 2009

Cash

1. All gifts by check may be accepted by United Way of Portage County regardless of amount.
2. No checks made payable to an individual will be accepted.

Publicly Traded Securities

1. Readily marketable securities, such as those traded on a stock exchange, may be accepted by United Way of Portage County.
2. Gift securities may be and are likely to be sold immediately following receipt.

Closely Held Securities

1. Non-publicly traded securities may be accepted only with the approval of the GAC.
2. Prior to acceptance, United Way of Portage County may explore methods of liquidation for the securities through redemption or sale. A representative of United Way of Portage County may contact the closely held corporation to determine:
 - An estimate of fair market value
 - Any restrictions on transfer
 - Liquidation opportunities
3. No binding commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities.

Real Estate

1. Gifts of real estate must be reviewed and approved by the GAC before acceptance. Real estate gifts may be accepted based upon projected financial benefit to United Way to include projected sales price, anticipated time to sell the property and financial obligations associated with the property.
2. Prior to presentation to the GAC, a member of the United Way of Portage County staff must conduct a visual inspection of the property. If the property is located in a geographically distant or isolated area, a qualified real estate broker may be substituted for a member of the United Way staff in conducting the visual inspection.
3. Due to the expenses associated with gifts of real estate, the GAC shall establish a minimum value of real estate to be considered.

4. Prior to presentation to the GAC, the donor must provide to United Way of Portage County the following documents:

- Real estate deed
- A schedule of financial obligations associated with the property
- Real estate tax bill
- A survey or other map of the property, if available
- Substantiation of zoning status
- Current appraisal
- Environmental assessments/testing for hazardous substances that have been conducted, if available

5. Depending on the value and desirability of the gift, the donor's connection with United Way of Portage County, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following:

- Maintenance costs
- Real estate taxes
- Insurance
- Real estate broker's commission and other costs of sale
- Appraisal costs
- A survey or other map
- Environmental surveys / tests
- Special assessments
- Inspection by a licensed building inspector



The United Circle of Caring Memorial in front of Shopko in downtown Stevens Point

Life Insurance

1. United Way of Portage County may accept gifts of life insurance proceeds by being named as beneficiary, secondary beneficiary or contingent beneficiary of a life insurance policy.

2. United Way of Portage County may accept gifts of life insurance as the owner of a life insurance policy so long as the policies are fully paid or an acceptable annual funding agreement has been made with the donor.

Tangible Personal Property

1. Except for gifts of office furniture and equipment, any gifts of tangible personal property to United Way of Portage County might not be related to its exempt purpose. If the gift is not related to the United Way's exempt purpose, the donor's income tax deduction may be limited to the original cost rather than current market value.
2. Gifts of jewelry, artwork and collections may be accepted only with the approval by the GAC.
3. All gifts of tangible personal property may be used by or sold for the benefit of United Way of Portage County.
4. No property which requires special display facilities or security measures may be accepted by United Way of Portage County without the approval of the GAC.
5. United Way of Portage County may have a qualified outside appraiser value the gift before accepting it. Such appraisal shall be done independently of the donor's own appraisal.
6. United Way of Portage County shall adhere to all IRS requirements related to disposing of gifts of tangible personal property.

Deferred Gifts

United Way of Portage County may accept deferred gifts such as:

1. Bequests
2. Charitable gift annuities
3. Deferred gift annuities
4. Pooled income funds
5. Charitable remainder trusts
6. Charitable lead trusts
7. Retained life estates

1. Bequests

- A. Assets transferred through bequests that have immediate value to United Way of Portage County or can be easily liquidated are encouraged. Gifts that appear to require more cost than benefit may be discouraged or rejected.

2. Charitable Gift Annuities

- A. United Way of Portage County may, without limitation, utilize United Way Worldwide (hereafter “UWW”) National Charitable Gift Annuity Program.
- B. Generally United Way of Portage County will adhere to the policies of the UWW National Charitable Gift Annuity Program and will follow the American Council on Gift Annuities suggested rates.
- C. Provided however, exceptions to such policies may be made with the approval of GAC.

Volunteers stamp concrete for a Born Learning Trail at Mead Park in Stevens Point – funding provided by the United Way Endowment



3. Deferred Gift Annuities

- A. United Way of Portage County may utilize the UWW National Charitable Gift Annuity Program.
- B. Generally, United Way of Portage County will adhere to the policies of the UWW National Charitable Gift Annuity Program and will follow the American Council on Gift Annuities suggested rates.
- C. Exceptions to such policies may be made with the approval of GAC.

4. Pooled Income Funds

- A. United Way of Portage County may utilize the UWW National Pooled Income Fund.
- B. Generally, United Way of Portage County will adhere to the policies of the UWW National Pooled Income Fund.
- C. Exceptions to such policies may be made with the approval of GAC.

5. Charitable Remainder Trusts

- A. Due to the cost of drafting and administration, the minimum suggested amount to establish a charitable remainder trust is \$100,000.
- B. Investment of assets in a charitable remainder trust shall be determined by the trustee of the trust. No representations shall be made by a United Way of Portage County employee or person acting on behalf of United Way of Portage County as to the management or investment of such charitable remainder trust. United Way of Portage County may provide the donor a list of organizations providing trustee, administrator or investment services without recommending one.
- C. The payout rate of a charitable remainder trust shall be determined by the donor in conjunction with the donor's advisor(s). By law the payout rate cannot be lower than 5% nor greater than 50%. The value of the charitable remainder benefit must be at least 10% of the initial fair market value of the trust. United Way of Portage County may illustrate to the donor and donor's advisor(s) how proposed payout rates may impact the ultimate remainder amount received by United Way of Portage County.

6. Charitable Lead Trusts

- A. A charitable lead trust is an arrangement where assets are transferred to a trust paying income to the United Way of Portage County for a fixed number of years. At the end of the fixed term, the donor's chosen beneficiaries, such as children, will receive the trust assets.
- B. Investment of the trust shall be determined by the trustee of the trust. No representations shall be made by a United Way of Portage County employee or person acting on behalf of United Way as to the management or investment of such trust. United Way of Portage County may provide the donor a list of organizations providing trustee, administrator or investment services without recommending one.

7. Retained Life Estates

- A. The donor may transfer their residence, farm or vacation home to the United Way Endowment, subject to a life estate. Under this arrangement, the donor continues to live in the property for life or a specified term of years, while continuing to be responsible for all taxes, utilities, insurance, repairs and upkeep. The property passes to United Way when the donor life estate ends.
- B. All life estate arrangements must be approved by the GAC. Refer to the discussion above regarding real estate gifts.

Administrative Matters

1. United Way of Portage County shall not act as an executor (*personal representative*) for a donor's estate.
2. United Way of Portage County shall not act as trustee of any trust, including without limitation, any charitable remainder or lead trust.
3. **All prospective donors are advised to seek legal and/or tax advice from their own counsel.**
4. The United Way of Portage County shall not under any circumstances:
 - (a) furnish property appraisals or valuations to donors for tax purposes or
 - (b) knowingly participate in a transaction in which the value of a gift is inflated above its true fair market value to obtain a tax advantage for a donor.
5. In accordance with the provisions of the *Internal Revenue Code* and related regulations, proper records will be kept by the United Way of Portage County for all gifts processed and/or administered by United Way. The Board President or his/her designee(s) shall execute all necessary IRS forms, including IRS forms 8282 and 8283, that relate to gifts processed and/or administered by the United Way.
6. All donative instruments will be deemed confidential to the extent permitted by law. However, a donor may authorize public announcement of any feature of a contribution. All files will be made available upon demand to agents of the Internal Revenue Service. All other requests for information will be honored only if the donor approves the release of information or if applicable law requires release of the information.



Updated: 5/25/2016

Management of the Endowment

The United Way Endowment is managed by the United Way Endowment Committee and Finance Committee with oversight from the United Way Board of Directors. The objective of the investment policy is to diversify investments in a broad base of securities, funds and accounts that are reasonably prudent and to maintain an expense ratio consistent with or lower than other funds of similar investment styles as measured by the Lipper and/or Morningstar rating services.

United Way Endowment Investment Policy

Policy Adopted: March 21, 2012

Policy Revised: September 11, 2018 (Finance)

1. Purpose. The purpose of the following investment guidelines, which are to be reviewed annually by the Board of Directors, is to:
 - A. Establish the investment objectives, policies and eligible securities relating to any investments of the Endowment and the Restricted fund.
 - B. Identify the criteria against which investment performance of equities will be measured.
 - C. Communicate the objectives to the Board, staff and donors.
 - D. Serve as a guide for the ongoing oversight of the management of the investments in the United Way Endowment.

2. Guidelines for Investing.
 - A. Diversification. The investment goal is to diversify investments in a broad base of securities, funds and accounts and that are reasonably prudent.
 - B. The range would be 60-65% for Equities and 35-40% for Fixed Income.
 - C. Equities. A range of sixty to sixty-five percent (60-65%) of assets will be invested in; broad based mutual or index mutual funds or broad based exchange traded funds (not individual stocks), designed to participate in small, mid and large capitalization stocks, in both growth and value equities (for example, the Vanguard Total Stock Market Index Fund or the Vanguard Total Stock Market ETF). Not more than one-quarter (1/4) of the equities component can be invested in international mutual or index mutual funds or exchange

traded funds, and such portion must also be invested in a broad based fund or funds.

- D. **Fixed Income.** A range of thirty-five to forty percent (35-40%) of the assets shall be invested in fixed income securities, funds and accounts from among the following list:
- (1) Savings and money market accounts that are FDIC insured.
 - (2) Certificates of deposit that are FDIC insured, including a ladder of CD maturities.
 - (3) United States Treasury bills, notes, bonds mutual funds, index mutual funds and exchange traded funds.
 - (4) Mutual funds, index mutual funds and exchange traded funds that invest predominately in "investment grade" bonds.
- E. **No Market Timing.** Investment allocation and selection is not intended to involve market timing or timing strategies.
- F. **Investment Expenses.** Whenever practical, investments that adhere to the characteristics described above shall be no-load funds, without 12(b)(1) charges, which maintain an expense ratio consistent with or lower than other funds of similar investment styles as measured by the Lipper and/or Morningstar rating services.
3. **Transition to Professional Investment Manager.** The United Way Endowment assets will be transferred to a professional investment manager, selected pursuant to a request for proposal process approved by the Finance Committee of the United Way of Portage County, Inc., when:
- A. The total assets in the Endowment exceed \$500,000
 - B. The performance of the equity portion of the portfolio trails the Vanguard Total Stock Market Index by more than 5% in any calendar year.
 - C. The Board of Directors of the United Way of Portage County, Inc. directs such a change.