

Board Meeting Agenda Template

Date: September 11, 2010 **Time:** Noon or sooner

Location: The Small Room at Mt Zion

List of Scheduled Attendees: Chip Killian, Eric Killian, Joe Killian, Sandy Phillips, Doris Killian Pope, Dan Sipe, Dan Tingen,
Should attend??: Eddie Killian? Pete Whitener?

Items To Be Discussed:

- 501(c)(3) Update
- Change Year End
- Records Manual
- Treasury Report/New Treasurer
- Budget
- Cemetery/Monument Projects
- DNA Sponsorships
- Scholarships
- Fundraising (Tax implications)
- Gift Acceptance Policy/ In-Kind Donations

Conclusions:

Action Items:

Person Responsible:

Deadline:

Meeting adjourned, Respectively reported by Secretary (original signed)

501(c)(3) Update:

Written by Sandy Phillips, Treasurer

Federal Tax Exempt status under IRC section 501(c)(3) and IRC Section 170 was awarded December 15, 2009, retroactive to incorporation date, June 16, 2009. A copy of the determination letter is in the Records Manual. At that time all contributions given to the Association after June 16, 2009, became deductible. The rules state for pure donations in amounts less than \$75, the donor's check will suffice as evidence of the donation. Amounts over \$75 must receive a written receipt. For donations in which an item is received, a written receipt giving the fair market value of the item is required. The fair market value of the item is not deductible. In January, I provided the necessary receipts for all applicable donations made since June 16, 2009. Samples of this receipt are in the Records Manual.

Federal financial filing of the Form 990 is required each year. For charities that receive less than \$25,000 in any given year, the 990 E Postcard is all that is required. I fulfilled that requirement. A copy is in the Records Manual. Should we receive \$25,000 in gross receipts in any year, we will need to file the 990 EZ. A current blank copy of this form is in the Records Manual.

The next step was State compliance. I provided the necessary documentation for State exemption from Income and Franchise Tax. We received that approval June 17, 2010.

The State of North Carolina requires a Charitable Solicitation License to ask for donations, either directly or indirectly. I filed the necessary paperwork and received an exemption because of our gross receipt level. The exemption will expire on February 15, 2011. We will need to apply for a license each year. Once we qualify for a license, we will need to renew the license each year. There is a filing fee on a sliding scale. Based on our gross receipts, the fee was \$50 this year.

The North Carolina Department of Revenue requires that charities pay sales tax on all items sold in North Carolina. I have registered with the state. We must pay sales tax on books sold last year at the reunion. We do not have to pay sales tax on books sold after the reunion from Georgia.

We may qualify for tax refunds from purchases we make in North Carolina. Neither the Books nor the Newsletters qualify in North Carolina because taxes are paid in Georgia. None of the expenses that are presented for reimbursement qualify for tax refund. Only bills paid directly in North Carolina would qualify for possible tax refund.

Going forward, we will change our year-end from September 30, to December 31, in 2010 to make recordkeeping a little easier. This will require a short year filing and notices to the IRS and the NC Secretary of State and the Department of Revenue.

Also it is important to be aware of Unrelated Business Income. We cannot sale cookbooks, for example, because it does not serve our mission. Unless the cookbook is recipes from colonial America!

Certain disclosures are required when soliciting funds. Certain disclosures are required on printed materials and on our website. Some policies are not required but are "best practices" for a charity. I have tried to capture those and you will find them on receipts and on the website. As fundraising materials are created, you will find them there as well. All of these are in the Records Manual.

Records Manual

As a Board Member or Officer, you will receive a copy of the Records Manual at the Reunion. This manual will house important information regarding the Association. As new reports are provided, you are advised to keep them in this manual so that when your book is passed to your successor, the information will be complete. Some Officer Manuals will house additional documents as necessary for their position.

Index Of Manual:

I. CURRENT YEAR

1. Information & Deadlines
2. Calendar of Events
3. Officer Contact Info
4. Officer Biographical Sketches
5. Contact Us Info from Website

II. ROLES AND RESPONSIBILITIES

1. Roles and Responsibilities
2. Officer Nomination Form
3. How To Keep Minutes
4. Budget Basics
5. Business Meeting & Board Meeting Agenda Temp

III. IMPORTANT INFO

1. Association Identification
2. Compliance Checklist
3. How Long to Keep Documents
4. Resources on Laws Affecting NC Nonprofits
5. Procedures for Changes

IV. ASSOCIATION DOCUMENTS

1. Articles of Incorporation/Federal Tax ID No./NTEE No.
2. Bylaws & Amendments

V. FEDERAL COMPLIANCE

1. Form 1023 Application for IRS Tax Exemption & All Correspondence
2. Letter of Approval from IRS (PROOF WE ARE A CHARITY)
3. Form 990 Annual Tax Reporting Form (Last 3 years), Instructions, Blank Forms

VI. STATE COMPLIANCE

1. NC Income & Franchise Tax (State version of 501(c)(3))
2. NC Charitable Solicitation Licensing Procedures, Forms
3. NC Sales and Use Tax Procedures, Forms, Refund Info

VII. DONOR & DONATION INFORMATION

1. Definition of Gift and Gift Acceptance Policies
2. IRS Donation Requirements
3. Donor Policies and Disclosures
4. Donor Receipt Template & Sample
5. In-Kind Donor Receipt Example
6. Qualified Sponsorship Payments & Advertising Information
7. Product Sales/Donation Logs (In Treasurer's Notebook)

VIII. ACTIVITIES

1. Reunion
2. Newsletter
3. Website
4. Book
5. Monument Improvement
6. DNA (Project & Sponsorship)
7. Scholarships

Working Section & Past Years Info from Section I of this Manual

Andreas Killian Descendants Historical Association
EIN: 80-0427367
Treasurer's Report
Fiscal Year 2008-2009

Balance a/o September 12, 2008

\$388.67

Receipts

Donations:

*From Annual Reunion Meeting, Sept. 2008	\$ 1,158.00
*By Mail	3,012.00
*From Annual Reunion Meeting, Sept. 2009	6,652.76
*Return of Petty Cash drawn from Treasury	300.00
*\$635 collected for Sunday's Catered Meal (paid at Reunion/not shown deposited in treasury)	635.00

TOTAL RECEIPTS

\$11,757.76

Disbursements

*Publication Expenses for Book(250qty)	\$ 3,069.33
*Postage and Copy expenses related to February 2009 Newsletter	589.45
*Postage and Copy expenses related to August 2009 Newsletter	545.97
*T Shirts (246 qty ave. cost \$3.85)	884.33
*T Shirts (60 kids ave. cost \$2.73)	164.00
*Postage and Printing expenses for marketing the Annual Reunion Meeting, Sept. 2008	77.00
*Postage and Printing expenses for marketing the Annual Reunion Meeting, Sept. 2009	100.00
*Flowers for Cemetery Markers Sept. 2009	64.32
*Reunion Meeting Facility Expense	200.00
*Boxcar Grille Caterer Fri 9/11/09	1,046.12
*(Jennifer's Catering Sun 9/13/09 Paid at Reunion/ not shown paid from treasury)	635.00
*Drawn from Treasury for Petty Cash	300.00
*Website Maintenance	<u>50.00</u>

TOTAL DISBURSEMENTS

\$7,725.52

Balance a/o Septmber 30, 2009

\$ 4,420.91

**Andreas Killian Descendants Historical Association
Treasurer's Report
Year To Date Through July 31, 2010
For Fiscal Year October 1, 2009-September 30, 2010**

Balance a/o September 30, 2009 **\$ 4,420.91**

Receipts

Donations (avg. \$88/month)	\$880	
Books	\$2,230	
Misc. Receipts	<u>\$40</u>	
Total Receipts		<u>\$3,150</u>

Disbursements

Supplies (Reunion Wreath)	\$37.45	
Website	\$50.00	
Postage-Newsletters (357@ \$.27)	\$197.89	
Postage-Books	\$246.20	
Postage Supplies-Book	\$146.87	
Printing-Book (50 qty @ \$10.57)	\$528.36	
Printing-Newsletter (375 qty each @ \$1.56)	<u>\$1,169.81</u>	
Total Disbursements		<u>\$2,376.58</u>

Balance a/o July 31, 2010 **\$5,194.33**

Inventory Recap As of 7/31/2010

Books:

Purchased:	9/18/09:	250 @ \$3,069.33	average cost: \$12.28
	7/01/10:	50 @ <u>\$528.36</u>	average cost: \$10.57
	Total:	300 @ \$ 3,597.69	Total average cost: \$11.99

Total Books	300
Sold at Reunion	(72) @ \$20 = \$1,440
Given away	(99) (30 mailed)
Sold thru 7/31/10	<u>(99) @ \$30 = \$2,940</u>
Books in Inventory	30

Gross Receipts:	\$4,380.00
Total Cost:	(\$3,280.73) (\$3069.33 + 20 @ \$10.57 ea)
Postage Paid:	(\$249.48) (both sold and given away)
Ship Supplies Paid:	<u>(\$146.87) (both sold and given away)</u>
Net Receipts:	\$702.92 from books sold (171)

Sales tax on 72 books sold in Catawba County, NC for \$20
 Tax rate for September, 2009 is 5.5% state + 2.5% county = 8% or \$115.20
 Late filing fee and late payment penalty = \$34.56
 Total sales tax paid for 2009 = \$149.76

T-Shirts:

Purchased	
3/25/09:	246 Adult T-shirts \$884.33
	(30) Orange T-shirts given to Officers
9/17/2009:	60 Child T-shirts \$164
	246 Adult T-shirts average cost: \$3.59
	60 Child T-shirts average cost: \$2.73

Donations received for shirts:	Costs of Shirts distributed:
114 Adults \$1,140	114 x \$3.59 = \$409.26
27 Child <u>135</u>	27 x \$2.73 = <u>\$73.71</u>
\$1,275	\$482.97

Gross Receipts:	\$1,275.00
Less Cost of shirts distributed:	<u>(\$482.97)</u>
Net Receipts:	\$792.03

Adult T-shirts in inventory:

Small	7
Medium	16
Large	20
X Large	49
XX Large	<u>10</u>
Total	102

Child T shirts in inventory:

Small	5
Medium	9
Large	10
X Large	<u>9</u>
Total	33

Projected Revenue \$1,020 + \$165= \$1,185

Andreas Killian Descendants Historical Association
PROJECTED TREASURY BUDGET
Fiscal Years
10/01/2010 - 12/31/2010
And
01/01/2011 - 12/31/2011

Balance a/o July 31, 2010 **\$ 5,196**

Receipts

Donations avg. 88/month (14 months)	\$1,232	
Donations avg. @ Reunion (9/10 & 9/11)	\$1,000 x 2	
Books 30 left in inventory @\$30	\$900	
Books 75 new books @ \$30	\$2,250	
T-shirts 102 Adult left in inventory @\$10	\$1,020	
33 Child left in inventory @ \$5	<u>\$165</u>	

TOTAL ESTIMATED RECEIPTS **\$7,567** **\$7,567**

Fixed costs

Website Maintenance (Nov)	(<u>\$55</u>) x 2	(\$110)
<i>Newsletter:</i>		
Postage and Copy expenses related to February 2011 Newsletter	(\$700)	
Postage and Copy expenses related to July 2011 Newsletter	<u>(\$700)</u>	(\$1,400)
<i>Annual "Reunion" Meeting (Sept. 2010 & Sept. 2011)</i>		
Church Donation for Use of Fellowship Hall	(\$100) x 2	
Postage and Copy expenses for marketing	(\$100) x 2	
Cemetery Flower Memorials	(\$90)	
Guest Lecturers	(\$200) x 2	
Handouts	(\$100) x 2	
Misc. expense	<u>(\$40) x 2</u>	<u>(\$1,170)</u>

(\$2,680)

NEW Fixed Costs

Charitable Solicitation License	(\$50)	
Sales and Use Tax	(\$180)	
Administrative expenses	<u>(\$250) x 2</u>	<u>(\$730)</u>

(\$730)

Variable Costs or Purchases

Books @ \$12 cost/book + sales tax qty 75	(\$900)	
T Shirts @\$4 cost/T shirt qty__	<u> 0</u>	<u>(\$900)</u>
2 Scholarship @ \$1000 each	(\$2000)	
Historical Cemetery Repair/ Replace <i>(Germany/Margaret/OSP)</i>	(\$2000)	
DNA Research	(\$500)	<u>(\$2,500)</u>

(\$2,500)

TOTAL ESTIMATED DISBURSEMENTS **(\$6,810)**

Projected Balance a/o December 31, 2011 **\$5,953**

ANDREAS KILLIAN DESCENDANTS HISTORICAL ASSOCIATION (AKDHA)

Cemetery/Monument/Historical Marker/Material Projects Application

Instructions

1. Please print or type all information and attach this sheet to the front of the document.
2. If any requested information is not applicable, please indicate in the appropriate spaces or in the typed document. If additional information is pertinent, please provide.

Attachments

1. Photo, if possible, of location of monument, marker or project.
2. Supporting identifying information pertaining to the person or persons the monument will identify.
3. Estimate of cost or quote of the project, if available.
4. Supporting documentation for the location of the project.

Certification

The requester(s), by signing, certifies that the information in this application is true and correct.

The request must be submitted to the President who will share a copy to the Projects Director for their initial reviews. The request may also be presented at the Annual Business Meeting but the required information, and application will still need to be submitted before the deadline, noted below to get the regular review process performed.

The requester(s) understand(s) the request and all attachments will be reviewed by the Executive Committee and that any misstatement or omission will result in the revocation of consideration or award.

The requester(s) understand(s) all information will be reviewed only by the Executive Committee and after approval by the Board of Directors the award will be announced in the Project Director's Status Report during the Annual Business Meeting.

Each requester(s) will receive a letter of response or verbal notification, confirming acceptance or denial of his or her request.

Approved projects can be funded by a direct donation to the Association for that purpose and payment arranged by the requester(s) prior to actual final approval.

Dates To Remember

- **March:** Completed applications and all attachments must be postmarked or hand delivered (not faxed) no later than March 31 to the contact for the AKDH noted at bottom of the application.
- **April-May:** The Executive Committee & Board of Directors determines the finalists. The finalists may be contacted by a member of the Executive Committee for a brief telephone interview and later notified by letter or verbally of acceptance or rejection.
- **September:** The approvals are announced at the Annual Association Business Meeting. The requester(s) need not be present (but highly recommended) at the Annual Business Meeting and understand their recommendation will be announced to the attendees.

**ANDREAS KILLIAN DESCENDANTS HISTORICAL ASSOCIATION
(AKDHA)**

Cemetery/ Monument/ Historical Marker/ Material Projects Application

Applicant Information

Name: _____
Address (Home): _____
Phone: _____ Cell Phone: _____
Email Address: _____

I am applying for the following award: ___A. Cemetery Improvement ___B. Monument Repair
___C. Monument Replacement ___D. Other Material Project or Historical Marker

Location of Project: _____
Address: _____
Details of Need: _____
Projected cost amount \$ _____
Contact Name for Project Location: _____
Phone: _____ Cell Phone: _____
Address: _____
Email Address: _____

Please provide why you think the Association should support this project.

An official appraisal or written quote or contract from the provider of services needs to be attached.

In addition please provide the relevant information below:

B. Monument Repair Information

If you know what is currently written on the monument, please provide.

C. Monument Replacement Information

Person(s) for whom monument is needed: _____
If you would like to suggest what is to be written on the monument, please provide.

D. Other Material Project or Historical Marker Information

By separate attachment please provide a detailed explanation of your project request. Please include all relevant location information and contact information. Please provide why you think the Association should support this project.

Return completed form and all attachments to:

Eric Killian, President
Andreas Killian Descendants Historical Association (AKDHA)
4404 Jetty Lane
Hickory, NC 28601
Email address: blademannc@yahoo.com

ANDREAS KILLIAN DESCENDANTS HISTORICAL ASSOCIATION (AKDHA)

DNA Sponsorship Program

In circumstances where the DNA Administrator determines an individual's DNA could prove or disprove a theory on Killian lineage, fulfill a gap in written documentation, or prove out migratory patterns, the DNA Administrator will negotiate the price of the kit or seek out a sponsorship of that kit. Upon written approval of 2 members of the Board, funds will be directed to the company whose kit is being purchased. No more than the Budgeted amount may be used during the current fiscal year.

Amount Budgeted for Sponsorships

Currently, the amount budgeted for sponsorships is \$500. This will be set each year by the Board of Directors. The DNA Administrator must present a report on how candidates were selected and how funds were allocated at the Annual Business Meeting before the next year's budget can be approved.

Who is Eligible?

Killians/Kilians/Killions whose perceived lineage would fulfill the above stated goals and is hesitant to purchase the DNA kit due to cost. In no uncertain terms will DNA kits be used for any other purpose or goals.

Note: The Executive Committee reserves the right to change or discontinue the sponsorship without notice and notification to the AKDHA membership will occur in the next newsletter or other communication.

ANDREAS KILLIAN DESCENDANTS HISTORICAL ASSOCIATION (AKDHA)

Scholarship Award Program

It is a program that provides funds for children of members of the Andreas Killian Descendants Historical Association (AKDHA) who are planning to attend:

- Vocational/technical schools (college level)
- Junior colleges
- Colleges or Universities

How the Scholarship Works

The program is available to all children whose parent/guardians are participating in the AKDHA excluding the Executive Committee/ Board of Directors. The fund is a one-time award paid directly to the student. The Scholarship is not based on the applicant's financial need.

Amount of the Scholarship Fund

There will be two scholarships awarded annually from \$500.00 to \$1,000.00 annually.

Who is Eligible?

The term 'children' means natural, adopted, or stepchildren of fully dependent wards of a member of the AKDHA. Eligibility for the scholarship is to all first, second, third, and fourth year attendees of vocational/technical schools, junior colleges, and colleges and universities. High school seniors who have been accepted to an institution of higher learning as previously mentioned are eligible. To qualify for the award, the student must have taken the American College Test (ACT) or the Scholastic Assessment Test (SAT), (but not for vocational/technical).

How Winners are Selected

The winners and alternates will be selected by the Scholarship Committee, which is comprised of the AKDHA President, Vice President, Secretary, Treasurer, and Program Director. The selection will be based on a competitive nature from the school records, ACT/SAT scores, personal essay and outside activities and interests. The applicants must all realize that the final selection as made by the Scholarship Committee is final.

Note: The Executive Committee reserves the right to change or discontinue the scholarship without notice and notification to the AKDHA membership will occur in the next newsletter or other communication. However, once a scholarship has been awarded, the award will be maintained for the individual in the current school year of receipt. If, for any reason, an individual is found in contempt of the rules of this scholarship, the award will be presented to the next alternate.

Andreas Killian Descendants Historical Association (AKDHA)

Scholarship Application

The Executive Committee of the Andreas Killian Descendants Historical Association is pleased to announce we will be awarding two (2) \$1,000 scholarships this year.

Instructions

1. Please print or type all information.
2. If any requested information is not applicable, please indicate in the appropriate spaces.
3. “Applicant” refers to the student applying for the scholarship.

Attachments

1. Current ACT or SAT scores (high school applicants only).
2. Current high school or college transcripts.
3. Current letters of recommendation (2) from teachers or educators familiar with the applicant’s scholastic achievement and character.
4. Current letter of recommendation from an individual in the community who can provide information regarding the applicant’s character, achievements in civic and potential in leadership and civic affairs.
5. Hand-written or typed essay on the topic “I Can Make a Difference.”
6. List of community and/or extra-curricular activities.

NOTE: Any omission of the above six attachments will automatically disqualify the applicant.

Certification

The Applicant, by signing, certifies that the information in this application is true and correct.

The Applicant understands the application and attachments will be reviewed by the Scholarship Committee and that any misstatement or omission will result in the revocation of consideration or award.

The Applicant understands all information will be reviewed only by the Scholarship Committee. Only the award winners will be announced at the Annual Killian Reunion.

Each Applicant will receive a letter of response, confirming their participation.

Dates To Remember

- May: Completed applications and all attachments must be postmarked no later than May 10th, and mailed (not faxed) to the President of the AKDHA (see bottom of application section for address). The Scholarship Committee determines the finalists. Finalists may be contacted by a member of the Scholarship Committee for a brief telephone interview.
- August: The winners are selected and notified prior to August 1st.
- September: The winner is announced at the Annual Association Business Meeting. The winner need not be present at the meeting, but understands that his/her name will be introduced to the attendees.

**Andreas Killian Descendants Historical Association
(AKDHA)**

Scholarship Application

Applicant Information

Name: _____

Address (Home): _____

Phone (Home): _____ Date of Birth: _____

I am applying for the following award: ___ Vocational/Technical ___ College

Secondary School Information

School Name: _____

Address: _____

Principal: _____ Phone: _____

Graduation Date: _____ ACT/SAT Scores: _____

College/Vocational/Technical School Information

Institution Name: _____

Address: _____

Expected Date of Enrollment: _____

Parent/Guardian Information

Name: _____

Address: _____

Phone: _____ Email: _____

Applicant's Signature: _____ Date: _____

Parent/Guardian Signature _____ Date: _____

Return completed form and all attachments to:

Eric Killian, President
Andreas Killian Descendants Historical Association
4404 Jetty Lane
Hickory, NC 28601
Email: blademannc@yahoo.co

Fundraising

As Board members we will need to be prepared to present and discuss ways of generating funds to accomplish the goals of the Association and sustain revenue.

Consider charities that you participate in and investigate ways in which we may take advantage of our resources and schedule to establish a fundraising event.

Please note that in the State of North Carolina, if we conduct an annual fundraising event and sale items during that time (60 day window) we will be exempt from collecting 8% sales tax.

Definition of Gift

A gift is a voluntary transfer of property without valuable consideration. Generally, a gift is made when all of the following conditions are met:

1. The transfer is voluntary and
2. The transfer is made without any expectation in return. No benefit of any kind may be provided to the donor or to anyone designated by the donor.

In-Kind Gifts are non-cash gifts of tangible or intangible property. Tangible property can fall into two distinct categories, and its value is derived from its physical existence:

1. **Objects**, such as real estate, equipment, software, automobiles, printed materials, etc.
2. **Services**, such as time and effort, is not a transfer of property and therefore cannot be issued as an official donation receipt. However, a charity can pay an individual such as a lawyer, accountant, or entertainer for services rendered and later accept the voluntary return of all, or part of, the payment as a donation. In this situation, the charity can issue an official donation receipt, but the donor must declare this income when filing their income tax return. Intangible personal property is property whose value stems from intangible elements, e.g. patents and copyrights.

“In-Kind” Gift Recognition And Receipts

When gifts of products and services are received, be aware that the association can be held in even greater regard by donors of such gifts. Gratitude should be expressed in a meaningful way---in a manner far and above how these contributions are usually acknowledged by non-profit organizations. This can be accomplished in strict keeping with the applicable IRS rules and regulations, which are especially explicit when it comes to In-Kind gifts and how non-profits handle them.

By law, non-profit organizations cannot provide a donor with the dollar value of an In-kind gift. Such valuations when applicable, relative to "fair market value" of In-Kind gifts, need to be professionally assessed and certified elsewhere---if they can be---and that is the responsibility of the donor. This certification subsequently needs to be resolved with the professionals and others who prepare the donor's tax forms---whose work in turn will need to be reconciled with IRS regulations. In instances where time and service are donated, no tax break whatsoever is allowed, as the IRS Publication 526 clearly states, "You cannot deduct the value of your time or services..."

In-Kind Gifts can be issued an official tax receipt for the fair market value of the gift on the date it was donated (the date on which ownership is transferred from the donor to the donee). The generally accepted meaning of **fair market value** is the highest price that the property would bring in an open and unrestricted market between a willing buyer and a willing seller who are knowledgeable, informed and prudent, and who are acting independently of each other. Fair market value does not include any amounts paid or payable to other parties such as sales agents or sales taxes such as GST and/or PST.

A non-profit organization can acknowledge In-Kind gifts with descriptions of their practical value to the organization, and make some reference to their worth in dollars---what they might have had to pay "retail." Most non-profit organizations could treat their In-Kind gifts in somewhat the following form below:

AKDHA Gift Acceptance Policies

(Our public policy to be placed on the Website and where proper disclosures are made)

As a 501(c)(3) non-profit organization the Andreas Killian Descendants Historical Association (AKDHA) relies on charitable contributions to fulfill its mission. AKDHA, in soliciting or accepting gifts, shall clearly represent the organization's policies and mission which might pertain to this exchange and honor all statements about the use of the contribution. We shall always disclose to potential donors important and relevant information. Every gift will be promptly acknowledged, and donors will be informed of how the gift will be recognized.

Specific requests about acknowledgment will be honored consistent with AKDHA's practices and policies. We reserve the right to refuse a gift if it is determined to be in conflict with our mission.

1. Your contribution may be designated for a specific program or it may be left undesignated, available for meeting the Associations' highest priorities. If you wish your gift to be restricted, be sure to indicate your preference in a cover letter.
2. AKDHA will not, in most cases, assume any indebtedness in connection with a gift. Exceptions to the contrary must be approved on a case-by-case basis by the Board of Directors.
3. Contributions must support and enhance the mission and purpose of AKDHA. Contributions which subject the organization to burdensome or unusual restrictions will not be accepted.
4. Associated expenses with the conveyance of a gift made to the Association are to be borne by the donor.
5. AKDHA will assume that donors rely on their own personal advisors for tax, legal, financial and other advice concerning their gifts.

Gifts of Cash:

AKDHA will accept gifts of cash to support the mission of the organization. Your contribution may be designated for a specific program or it may be left undesignated, available for meeting the Agency's highest priorities. If you wish your gift to be restricted, be sure to indicate your preference both on your check and in a cover letter.

In-Kind Gifts of Equipment/Furniture

AKDHA will accept gifts of new or used equipment/furniture that are determined to be of use to the Association. The Executive Director shall make that determination.

In-Kind Gifts of Airline Tickets or Air Miles:

AKDHA will accept gifts of tickets or air miles for travel to be used by staff or board members to attend conferences/meetings as approved by the Executive Director.

In-Kind Gifts of Securities:

AKDHA will accept gifts of publicly traded securities, including stocks, mutual funds, municipal and corporate bonds, and treasury bills and notes. AKDHA staff and/or advisors will verify the ownership of the security, handle the transfer of ownership, and establish a value for deferred gift calculation purposes, as well as handle the sale, liquidation and/or investment processes related to securities. Such gifts will be reviewed by the Audit/Finance Committee and such securities shall be sold immediately upon receipt.

In-Kind Gifts of Real Estate:

Real estate gifts can include personal residences, rental properties, office buildings, land, and other structures. As real estate can be highly illiquid, costly to maintain, and have pre-existing conditions attached to it, any gifts of real estate will be carefully scrutinized and the decision to accept or decline the gift will be made by the Board of Directors. The property shall be physically inspected by a representative of the Association along with a property management consultant. The inspection is to identify any environmental, financial, legal, marketing or public relations risks, hazards or liabilities or encumbrances. If deemed necessary by the consultant, an environmental survey may be recommended before a gift can be accepted. Also to be provided is a current official property title survey, and a professional property assessment. All associated costs and lawyer fees for property transfers shall be born by the donor. Upon review of the survey, the consultant shall recommend acceptance or declination of the gift. Unless otherwise negotiated, gifts of property will be converted into cash at the direction of the Board of Directors, keeping in mind current market conditions and the use of property in the accomplishments of the mission of the Association.

A gift will not be accepted that may expose AKDHA to material or personal liabilities as owners of the property.

In-Kind Gifts of Personal Property:

Potential contributions include art, antiques, jewelry, automobiles, etc. AKDHA staff or professional advisors, when appropriate, will review the marketability, accurateness of appraisal and capabilities of AKDHA to safeguard these assets until liquidation. Serious valuation problems exist in a number of proposed gifts of personal property, especially with art or other “collectibles.” Efforts must be made to obtain a bona fide appraisal or documentation of fair market value before the gift can be accepted.

Gifts of Life Insurance:

A gift of life insurance is a simple way to make a significant gift to the Association and ensure the ongoing vital work of our mission. “Whole” or “universal” life insurance often has cash value and can be donated to a charitable organization. The donor would receive a tax deduction for the replacement cost of the paid up policy at the time of donation, not for the face value of the life insurance. If the policy requires continuing premium payments, the donor can continue paying those premiums and get a tax deduction for each payment if it is done in the following manner: gift the policy to AKDHA, who then becomes the owner of the policy. The donor then makes annual donations in the amount of the annual premium costs to ADHAK, who then pays the policy. The donor then receives a tax deduction for every contribution for the premium payment.

Donors can also purchase a new policy, naming AKDHA as the beneficiary. The premiums and tax benefits would work exactly as listed in the above paragraph.

When planning a gift of life insurance, it is important to consult your own personal tax and legal advisors.

In-Kind Donation Receipt & Acknowledgement No. 10001

**Andreas Killian Descendants
Historical Association (AKDHA)**
@ www.AndreasKillian.com



Donor Name: John B. Donor
Donor Address: 1 Charitable Avenue
Hickory, NC 12345

Dear Mr. Donor,

Thank you for your contribution of _____
_____ received on January 1, 2010.

For In-Kind Gifts of property: Your generous contribution will help to further the important goals of the Association. While, according to IRS regulations, you will not be allowed to declare the value of your donation from our acknowledgment, we can say that, for your generosity, we likely will be able to afford (describe what the gift will pay for) for what you gave as an In-Kind contribution.

For In-Kind gift of services: While, according to IRS regulations, you will not be allowed to declare the value of your donation from our acknowledgment, we can say that, but for your generosity, we likely would have had to expend approximately \$(retail price of services) for what you gave as an In-Kind contribution. These are dollars saved which we are able to apply directly to support the programs and services of the AKDHA.

Thank you for your support!
Sincerely,

Eric Killian
President

The Andreas Killian Descendants Historical Association is a Public Charity under Internal Revenue Code 501(c)(3) and 170(b)(1)(A)(vi). Contributions are deductible under section 170 of the Code. The Association is also qualified to receive tax-deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code.