

Stepping Stone Foundation, Inc. Gift Acceptance Policy

Stepping Stone Foundation, Inc., a Wisconsin nonstock corporation that is recognized as exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (“Stepping Stone”), solicits and accepts gifts for purposes that will help the organization further and fulfill its mission. Stepping Stone urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to Stepping Stone for the benefit of any of its operations, programs or services.

Use of Legal Counsel

Stepping Stone will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Examples of gifts for which prior review by counsel is recommended include the following:

- a. Gifts of securities that are subject to restrictions or buy-sell agreements;
- b. Documents naming Stepping Stone as trustee or requiring Stepping Stone to act in any fiduciary capacity;
- c. Gifts requiring Stepping Stone to assume financial or other obligations;
- d. Transactions with potential conflicts of interest; and
- e. Gifts of property which may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts

Stepping Stone will not accept gifts that (a) would result in Stepping Stone violating its Articles of Incorporation or Bylaws, (b) would result in Stepping Stone losing its status as a tax-exempt organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in unacceptable consequences for Stepping Stone, or (e) are for purposes outside Stepping Stone’s mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors.

Gifts Generally Accepted Without Review

1. *Cash.* Cash gifts are acceptable.
2. *Marketable Securities.* Marketable securities may be transferred electronically to an account maintained with Stepping Stone’s brokerage firm or delivered physically with the transferor’s endorsement or signed stock power attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by Stepping Stone’s Investment Committee. If, however, marketable securities are

restricted, the decision whether to accept the restricted securities shall be made by Stepping Stone's Board of Directors.

3. *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans.* Donors are encouraged to make bequests to Stepping Stone under their Wills, and to name Stepping Stone as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
4. *Charitable Trusts.* Stepping Stone will accept designation as a beneficiary of a charitable trust.

Gifts Accepted Subject to Prior Review

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include the following:

1. *Tangible Personal Property.* The Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further Stepping Stone's mission? Is the property marketable? Are there unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/ownership of the property clear?
2. *Life Insurance.* Stepping Stone will accept gifts of life insurance where Stepping Stone is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the insurance policy.
3. *Real Estate.* All gifts of real estate are subject to review by Stepping Stone. Prior to acceptance of any gift of real estate other than a personal residence, Stepping Stone, its sole and absolute discretion, may require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, Stepping Stone may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include: is the property useful for Stepping Stone's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?