



Preservation Foundation *of the Lake County Forest Preserves*

DATE: November 10, 2021

MEMO TO: Nels Leutwiler, Chair
Preservation Foundation Board

FROM: Rebekah Snyder
Director of Community Engagement & Partnerships

RECOMMENDATION: Recommend Approval of a Policy on Disposition of Bequests.

FINANCIAL DATA: There is no financial impact at this time.

BACKGROUND: At their May 2021 meeting, the Preservation Foundation Finance Committee requested the Board establish a new policy on disposition of bequests. The recommendation is that the policy state that undesignated realized bequests shall be directed to support the Preservation Foundation Land Management Endowment, in the absence of any other direction or designation on the use of funds by the donor.

The attached policy is recommended and would be in effect immediately and until the Preservation Foundation Board of Directors approves a change in or elimination of the policy.

REVIEW BY OTHERS: Preservation Foundation Treasurer

PRESERVATION FOUNDATION BOARD:

Date: _____ Roll Call Vote: Ayes: ____ Nays: _____

Voice Vote Majority Ayes; Nays: _____

PRESERVATION FOUNDATION OF THE LAKE COUNTY FOREST PRESERVES POLICY ON THE DISPOSITION OF BEQUESTS

- 1) General. This policy statement governs the disposition of bequests, which for purposes of this statement, will mean any type of gift in which the assets are transferred upon the death of the donor. The assets may be in any form, such as cash, securities, personal property, real property, etc. The bequest may identify the beneficiary in one of two general ways:
 - a. “Preservation Foundation of the Lake County Forest Preserves, Libertyville, Illinois” or some other wording such as “The Preservation Foundation, Libertyville, Illinois.”
 - b. “Lake County Forest Preserve District, Libertyville, Illinois” or some other wording such as “Lake County Forest Preserves, Libertyville, Illinois.”
 - c. “The Endowment Fund of the Preservation Foundation” or similar wording.

- 2) Bequests with “The Preservation Foundation” as beneficiary can be of two general types:
 - a. “Designated” in which the donor has identified (a) specific purpose(s) to which the funds should be directed. The Preservation Foundation Board of Directors has ultimate responsibility to determine that the use(s) to which those funds are applied are faithful to the donor’s wishes.
 - b. “Undesignated” in which case the Board of Directors has the ability to determine their ultimate use. It is the policy of the Preservation Foundation to transfer the donation at the earliest practicable time to the Land Management Endowment. Such transfers, once made, are intended to be held in perpetuity.

- 3) The procedure for handling bequests begins with the Preservation Foundation Executive Director, who will see that any cash is immediately deposited.

A bequest of securities designated to any other purpose than the endowment fund will be liquidated immediately and the proceeds transferred to a cash or cash equivalent account.

An undesignated bequest of securities or a bequest of securities designated to the endowment fund will not be liquidated until the Foundation Treasurer with support of the Finance Committee has determined whether the securities should be held or sold, according to portfolio considerations.

The method, timing, agent, etc. for liquidation of other assets (such as real estate or personal property) will be determined based on recommendation of the Finance Committee and approval by the Board of Directors.