

Virginia Beach Tragedy Fund Q&A

Why was the fund created?

Immediately following the tragedy, the City of Virginia Beach reached out and asked us to create the Virginia Beach Tragedy Fund, which we were honored to do. City management recognized that having one place to direct the outpouring of concern would reduce confusion, ensure proper accounting and allow them to focus on their employees. As a trusted community organization, we were tasked with doing what we do best, taking care of needs through the thoughtful collection, management and distribution of funds.

How are donations accounted for?

All donations through United Way of South Hampton Roads are going to a dedicated account specifically set up for the Virginia Beach Tragedy Fund. Each donation is entered into our software system; so we will have records that track when, where and from whom donations are received. It will show all dollars in and all dollars dispersed with supporting documentation audited by Wall, Einhorn and Chernitzer. 100% of the donations received will be distributed to the families of those killed and to those that were injured – 16 people in all.

Is this tax deductible?

Under current IRS guidelines, donations to victim assistance funds are generally considered personal gifts and are not guaranteed to be tax deductible. This is because these funds are going to a select number of individuals, not indefinite. In an abundance of caution, we have made this clear to all donors upfront. Thus far, that fact has not deterred or decreased a single gift. Should the circumstances change, and the donations become tax deductible, United Way of South Hampton Roads will provide receipts to any donors who request them, as is our standard procedure. As always, we recommend that you consult a tax professional for further assistance.

How will the funds be distributed?

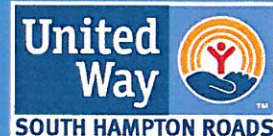
The first priority is paying for funeral expenses. The City of Virginia Beach provided liaisons to each of the families to assist with funeral arrangements and ensure all bills were directed to the City. Per the request of TowneBank, their donation will ensure these expenses are paid without using taxpayer dollars.

Personal letters are being hand-delivered to each family requesting they provide the information and permission we need to ensure we are distributing the funds to the correct individuals. Once the family responds to our outreach and has been verified, each family will receive an initial \$25,000 from funds that have already been received. After that, we will identify each family's circumstances and distribute the remainder of the funds based on need.

Who is helping determine the need?

We are very fortunate that a local attorney has offered his services pro-bono to help us through the distribution process. A graduate of Tulane Law School, Jeffrey Breit has devoted his extensive career to ensuring victims' rights. With over 250 jury trials and verdicts, he was honored as a Virginia Hall of Fame Lawyer in 2019. In addition, he has taught at the law schools of William and Mary, Harvard and Columbia. We will be relying on his expertise to guide the determination of need process. His recommendations will be presented to the United Way of South Hampton Roads Board's Executive Committee for review and approval.

**We bring people and resources together
to solve problems too big for any of us to solve alone.**



Is United Way paying any bills directly?

No, all of the funds (other than those used for funeral expenses) will be distributed to representatives from each family to be used to meet their needs as they define them.

When will the funds be distributed?

We are prepared to start distributing the received funds now. However, we must wait for the families to provide requested information and have an opportunity to verify that information before we can begin distribution.

How long will the fund stay open?

The fund will remain open as long as it is actively receiving donations. Based on experience, we expect that to be approximately six months.