

## Gift Solicitation and Acceptance Policy

*adopted June 2, 2024*

### Introduction and Purpose

The Unity Through Creativity Foundation is a socially conscious organization committed to fostering community self-knowledge and harmony through collaborative art.

This gift solicitation and acceptance policy guides our decision-making process in soliciting and accepting donations from individuals, foundations, corporations, and other funding entities. This policy will ensure that all charitable donations accepted by the Unity Through Creativity Foundation align with our values and mission and that the acceptance of any donation does not compromise our integrity, independence, or objectivity.

### General Guidelines

1. **Legal Compliance:** The Unity Through Creativity Foundation will solicit and accept gifts in compliance with applicable laws and regulations.
2. **Alignment with Our Mission:**
  - a. Gift solicitations and acceptances will align with our mission, values, and programs.
  - b. **We will decline to solicit or accept any gift that does not align with our mission or conflicts with our objectives or programs.**
  - c. *Prospective gift solicitations or acceptances for which there are questions in this regard will be reviewed jointly by the Board of Directors and the administrative staff.*
  - d. If needed, a majority vote of the Board of Directors will decide whether to solicit or accept a gift.
3. **Donor Transparency:** The Unity Through Creativity Foundation will maintain transparency in our relationships with donors. We will not solicit or accept gifts that are offered with the expectation of future favors or benefits or that are burdened with conditions or restrictions that may compromise our independence, integrity, or values.
4. **Due Diligence:** The Unity Through Creativity Foundation may conduct due diligence to ensure that the source of a gift is legitimate and that there are no conflicts of interest or reputational risks associated with the donor or the gift.
5. **Gift Valuation:** The Unity Through Creativity will value all gifts in accordance with Generally Accepted Accounting Principles (GAAP) and applicable IRS regulations.

6. Appraisals. Any appraisal of a prospective gift, if needed, must be conducted within guidelines established by the Internal Revenue Service.
7. Expenses: Any expenses related to the transfer of a gift, including but not limited to appraisal fees, legal fees, and environmental assessment costs, will be the responsibility of the donor unless otherwise agreed upon in writing.
8. Conflict of Interest: If a gift is offered by a board member, staff member, or any individual with a close personal or business relationship with the organization, such gift may be subject to a third-party review to ensure that it is made consonant with this policy.
9. These general guidelines or the special guidelines that follow may be waived by a majority vote of the Board of Directors.

### **Special Guidelines Governing Gift Acceptances**

**Cash and Liquid Instruments.** Gifts of cash, checks, or bearer's bonds will be deposited in UTC's bank account within 48 hours.

**Securities.** Gift of securities will be made into a designated brokerage account. They will be sold as soon as possible. Valuation of the gift will be computed by averaging the high and low on the date of transfer and multiplying by the number of shares given.

**Real Estate.** Gifts of real estate will be accepted subject to these conditions:

1. Environment Assessment: A Phase I Environmental Assessment must be conducted by a qualified environmental consultant within 30 days prior to acceptance of the gift. If a Phase I Assessment raises concerns, Phase II and Phase III Assessments will be performed and may lead to declining the gift.
2. Appraisal: The parcel(s) in question must be appraised by a licensed real estate appraiser, at donor's cost, within 30 days prior to the gift, and in light of the results of the Environmental Audit process. The gift will be valued according to the appraisal.
3. Title: All gifts of real estate must be transferred to the Unity Through Creativity Foundation with a clear and marketable title, free from any liens, encumbrances, or other claims.
4. Maintenance and Expenses: Once a gift of real estate is accepted, the Unity Through Creativity Foundation will assume responsibility for the property, including any ongoing maintenance and other expenses.
5. Disposition of Property: the Unity Through Creativity Foundation may dispose of the property in a manner that is consistent with our mission and values. We may choose to hold, use, or sell the property in accordance with our organizational goals.
6. Liability: the Unity Through Creativity Foundation will not accept gifts of real estate that have known or potential legal liabilities that would impose significant burdens or risks on the organization.

7. Board Review: Any gift of real estate must be reviewed and approved by the Board of Directors prior to acceptance.

**Tangible Property.** Tangible property includes any illiquid gift other than real estate, such artwork, jewelry, and furniture.

1. Gifts of tangible property must be appraised by a qualified, licensed appraiser, at donor's cost, within 30 days prior to the gift. The gift will be valued according to the appraisal.
2. Gifts of tangible property must be retained by The Unity Through Creativity Foundation for at least two years and put to use by the Foundation within the context of its normal operations. If this condition is not met, the IRS will consider the gift receipt invalid for tax deduction purposes and claw back a previously allowed deduction.