



Gift Acceptance Policy

Arts High Foundation shall accept charitable contributions of all types of assets from any type of donor, with the following exceptions:

- Contributions of non-liquid assets or assets possessing legal or other characteristics rendering the asset difficult to sell or convert to liquid assets, as determined by the Executive Committee;
- Contributions with donor-imposed restrictions that provide excessive control to the donor over future uses of the donated asset(s), as determined by the Executive Committee;
- Contributions with donor-imposed restrictions that violate or involve uses that go beyond Arts High Foundation's current mission statement and tax-exempt purpose, as determined by the Executive Committee;
- Contributions from donors involved in businesses or activities that are deemed inconsistent with Arts High Foundation's mission, as determined by the Executive Committee; or,
- Contributions from donors conditioned upon acknowledgement, including statements, products, or services, that Arts High Foundation does not endorse, as determined by the Executive Committee.

Non-Cash Charitable Contributions

Non-cash charitable contributions¹ shall be reviewed with special care by the Director of Development & Finance and/or the Executive Director to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the use of the gift. Consideration shall be given to the cost of maintenance, cataloging, delivery, insurance, display, and any space requirements for exhibition or storage. Non-cash charitable contributions will be considered for acceptance only if needed by Arts High Foundation for use in a manner which is related to the Organization's mission or the contribution can be readily sold and converted to cash.

Acceptance of any non-cash charitable contribution estimated to be above \$5,000 in value or in which the fair market value is not easily determined, such as non-publicly traded securities, real estate, art, or estate jewelry must be ratified by a majority vote of the Board of Directors' Executive Committee.

¹ Non-cash charitable contributions might include such items as equipment, books, real, and personal property. Real property is defined as land, its natural resources, and any permanent buildings on it. Personal property is defined as anything other than real property that is subject to personal ownership.

Valuation

When cash and non-cash donations, such as office equipment, computers, and professional services, are received or made, the market value of the donation shall be recorded properly in the financial statements according to the Statement of Financial Accounting Standards No. 116, Accounting for Contributions Received and Contributions Made.

Cash donations shall be recorded at face value less the market value of any goods or services received in return by the donor for the donation.

Non-cash donations shall be recorded at the market value of the item or any goods or services received. Market value shall be determined by reference to appropriate independent sources, such as an independent appraisal, published stock quotes, receipts of donors, etc. A copy of the appraisal or other documentation, such as a bill of sale, shall be requested from the donor for purposes of value verification.

Gifts-in-kind with fair market values of \$5,000 or less may be counted in any of the following ways:

- The value placed on the gift by a qualified independent appraiser;
- The value declared by the donor with supporting documentation, such as bill of sale, catalog price, etc.; or,
- Gifts of a group of similar items can be determined by using the fair market value of the single item as long as the value of the single item can be easily verified by an independent source.

If no appraisal or independent verification of the value is obtained, the gift will be recorded at \$1.

Gifts-in-kind with fair market values of more than \$5000 should be counted at values placed on them by qualified independent appraisers for valuing non-cash charitable contributions. If there is no appraisal and the object has a readily determined value that can be independently verified by a method that is acceptable to Arts High Foundation the gift will be valued using that method. If no appraisal or independent verification of the value is obtained, the gift will be recorded at \$1.

The date of any contribution shall be defined as the date the donor irrevocably relinquishes the title and control of the property is accepted by Arts High Foundation. For reporting purposes, the gift shall be valued by Arts High Foundation on the date of contribution. It should be noted that Arts High Foundation's valuation might not be the same value used by the donor for his/her tax deduction. It is the responsibility of the donor to be able to substantiate to the IRS the gift value used on his/her tax return.

Donor Receipts

A donor letter shall be issued for file, tax, and audit purposes. It is Arts High Foundation's policy to exclude the listing of a dollar value of a gift in the acknowledgement/receipt letter for any non-cash charitable contribution.

Legal Counsel

Arts High Foundation shall seek the advice of legal counsel as appropriate.

Policy Review

This policy shall be reviewed annually by the Executive Committee.