

ACCEPTANCE OF GIFTS POLICY

Approved and Adopted: January 26, 2021

PURPOSE

This Acceptance of Gifts Policy (the “Policy”) governs the Upper Dublin Education Foundation’s (“UDEP”) acceptance of gifts to be used to fund, advance, and further UDEP’s mission.

DEFINITIONS

A “gift,” as used in this Policy, means a donation of property, services or other items or objects of value for which the donor receives no direct benefit. Gifts may be cash or non-cash. Gifts do not include goods or services provided to or purchased by UDEP at fair market value. Gifts do not include grant awards from governmental or nonprofit sources for which UDEP applies.

A “cash gift,” as used in this Policy, means a gift made by cash, check, credit card, or electronic payment. All other gifts are deemed to be “non-cash” gifts. Examples of non-cash gifts are provided in Appendix A to the Policy.

A “donor,” as used in this Policy, means an individual person, company, foundation, or other legal entity that makes a gift to UDEP or that directs that a gift be made to UDEP.

STATEMENT OF POLICY

UDEP’s mission is to enhance the experiences for students in the Upper Dublin School District (the “District”) and fund innovative learning opportunities. UDEP encourages, fosters, and supports broad-based philanthropy and participation in UDEP’s mission.

Gifts from private and/or public donors allow UDEP to fund programs, needs and initiatives of the District. UDEP welcomes gifts that enable UDEP to fulfill its mission, consistent with the provisions of this Policy. UDEP recognizes the interest, generosity, and commitment of all of its donors and prospective donors. This Policy sets forth, if and as applicable, limits or restrictions on UDEP’s acceptance of gifts, including, without limitation, gifts that UDEP may be unable to accept or that UDEP may only accept under certain, specified circumstances.

I. Acceptance of Gifts

A. Non-acceptance Criteria

UDEP will not accept gifts as follows:

- UDEP will not accept gifts unless they can be used and expended in a manner consistent with UDEP’s mission.
- UDEP will not accept gifts that involve violations of laws or policies, including but not limited to UDEP’s policies and the District’s policies.

- UDEF will not accept gifts that involve unlawful discrimination or the unlawful denial of equal opportunity.
- UDEF will not accept gifts that are inconsistent with its corporate charter and bylaws, including its status as a tax-exempt, nonprofit organization under Section 501(c)(3) of the Internal Revenue Code.
- UDEF will not accept gifts that require UDEF or the District to take administrative, personnel, human relations, or other similar actions with regard to any specific individual or individuals.
- UDEF will not accept gifts that to the best of UDEF's reasonable knowledge, information or belief do not involve charitable intent on behalf of the donor.
- UDEF will not accept gifts that are overly restrictive in use, purpose, or conditions of use or purpose unless otherwise approved by UDEF's Board of Directors. UDEF encourages unrestricted gifts or gifts with limited restrictions, if and to the extent possible.
- UDEF will not accept gifts that UDEF reasonably believes or determines are too difficult or expensive to administer as compared to their value or impact.
- UDEF will not accept gifts that UDEF reasonably believes or determines will result in adverse consequences or impacts for UDEF or the District, to include, without limitation, reputational harm, harm or damage to future fundraising, adverse publicity, risk of litigation or other similar, potential liabilities.

B. Acceptance without Review

UDEF's Executive Director and President, and any other member of UDEF's Board of Directors, as authorized by the Executive Director or President, may accept the following types of gifts on behalf of UDEF without other or further review or approval of UDEF's Board of Directors or any committee of UDEF's Board of Directors constituted, designated or empowered to review and approve gifts, provided that the Executive Director, President or other Board member reasonably believes that the gift does not contradict or implicate the non-acceptance criteria set forth in Section I.A. above:

- Unrestricted cash gifts
- Cash gifts that are reasonably restricted to one of UDEF's existing programs, funding or support areas or focus areas
- Cash gifts that are reasonably restricted to specific uses or purposes and for which UDEF has solicited the gift from the donor for those uses or purposes
- Matching cash gifts provided by corporations or similar entities that match a donor's cash gift either dollar-for-dollar or in some other ratio

C. Review prior to Acceptance

UDEF may accept any gift not set forth in Section I.B. above, including, without limitation, non-cash gifts and gifts with other or further donor-directed restrictions, upon a reasonable determination that the gift does not contradict or implicate the non-acceptance criteria set forth in Section I.A. above as determined by: (a) UDEF's Executive Committee; (b) any committee of UDEF's Board of Directors constituted, designated or empowered to review and approve gifts; or (c) if and as applicable, a majority vote of UDEF's Board of Directors. Nothing in this Policy shall prohibit or restrict UDEF's Executive Director, President, or any committee of UDEF's Board of Directors from deferring a decision to accept a gift from any donor to UDEF's Board of Directors.

II. Operational and Administrative Retention

UDEF relies on third-party donations to support its general operations and administrative expenses, to include, without limitation, salaries of UDEF employees, as approved annually by UDEF's Board of Directors.

If UDEF accepts a restricted gift pursuant to Section I.C. above, UDEF: (a) will reserve ten percent (10%) of the gift's value for general operational and/or administrative purposes if the gift is valued at \$2,500 or less; and (b) may reserve up to ten percent (10%) of the gift's value for general operational and/or administrative purposes if the gift is valued over \$2,500 as determined by UDEF's Executive Committee and/or Board of Directors. Restricted gifts accepted pursuant to Section I.B. above for existing programs, funding or support, or focus areas may be exempted from the foregoing unless otherwise authorized or directed by UDEF's Board of Directors. If UDEF identifies a need to reserve a larger percentage or amount of a restricted gift's value than set forth above for operational and/or administrative purposes, UDEF will, to the extent permitted by law, seek agreement of the donor to a larger percentage or amount.

Amounts needed for general operational and/or administrative purposes, other than as reserved from restricted gifts as set forth in the preceding paragraph, shall generally be paid from unrestricted gifts and funds, including, without limitation, cash gifts accepted pursuant to Section I.B. above and gifts for which restrictions are imposed by law rather than by the donor, provided that the applicable law permits UDEF to reserve a portion of the gift for these purposes (for example, gifts made under Pennsylvania's EITC program). UDEF's intent and annual target goal is to utilize no greater than twenty percent (20%) of the value of unrestricted gifts received for such purposes, recognizing that amounts and percentages utilized may vary from fiscal year to fiscal year. The percentage of gifts and/or funds utilized for these purposes shall be reported to the Board of Directors on an annual basis.

III. Professional Advice

If and to the extent deemed necessary or appropriate by UDEF's Executive Director, President or Executive Committee, or as authorized by UDEF's Board of Directors, UDEF shall seek professional tax, legal or other similar advice in connection with a decision to accept a gift under Section I. of this Policy.

Neither UDEF nor any Director, employee, or representative of UDEF is permitted or authorized to provide legal, tax, estate planning, financial planning, or other similar advice to any UDEF donor or prospective donor.

Donors or prospective donors to UDEF should seek their own independent legal, tax, estate planning, financial planning, or other similar advice prior to making a gift to UDEF. UDEF has no responsibility or liability whatsoever for any donor's or prospective donor's independent legal, tax, estate planning, financial planning, or other similar advice.

IV. Acknowledgement and Recognition of Gifts

UDEF will provide written (electronic, email or hard copy) acknowledgements of gifts following receipt and/or acceptance by UDEF, provided donor contact information is provided or readily made available.

Donors will be recognized, privately and/or publicly, for their generosity consistent with the donors' wishes, if any, this Policy and other UDEF policies and practices. UDEF will respect a donor's desire to remain anonymous, if requested. In such situations, UDEF will restrict information about the donor solely to members of UDEF's Board of Directors and/or UDEF administrative employees with reasonable needs to know.

V. Policy Violations

Violations of this Policy shall be brought to the attention of UDEF's Executive Director, President and/or Board of Directors for determinations of appropriate remedial actions, if any. Remedial actions may include, without limitation, UDEF authorization to return a previously accepted gift to a donor.

APPENDIX A

Example of non-cash gifts include, without limitation:

Charitable lead trusts – A charitable lead trust provides an income stream for a specified period of time to UDEF. UDEF receives the income from the trust, generally for application to a specific project. The principal is then returned at the end of the set period to whomever the donor designates.

Charitable remainder trusts – A charitable remainder trust is established when the donor irrevocably transfers money or securities to a trustee who invests the assets to pay annual lifetime income to the donor or others chosen by the donor. At the end of the beneficiaries' lives, the remaining trust assets are distributed to UDEF.

Closely held securities (non-public) – Closely held securities are those that are not publicly traded. Closely held securities may raise considerations related to valuation and marketability.

Endowments – An endowment is a permanent fund established in response to an irrevocable contribution of assets to UDEF.

In-kind gifts – A gift-in-kind is an irrevocable non-cash contribution of tangible property or work. Tangible property may consist of, without limitation, equipment, art, books, collectibles, antiques, or other similar property. Donations of property or services given in-kind may be subject to a qualified appraisal, and the donor may be required to provide an independent, qualified appraisal at the donor's expense.

Life insurance – gifts of life insurance may name UDEF as a beneficiary of the policy or as beneficiary and owner.

Personal property – Gifts of personal property may include, without limitation, works of art, patents, copyrights, antiques, stamp and coin collections, jewelry, furniture, books, manuscripts, or other similar items with a determinable value. Donations of personal property may be subject to a qualified appraisal, and the donor may be required to provide an independent, qualified appraisal at the donor's expense.

Planned gifts – A planned or deferred gift is a commitment established legally during a donor's lifetime, the principal benefits of which usually do not accrue to the charitable recipient until some future time. Annuities, gifts of insurance, trusts, and commitments through estate plans are all usually referred to as planned gifts.

Publicly traded securities – Publicly traded securities are those: (a) listed on an exchange in which quotations are published daily; (b) regularly traded in national or regional over the counter markets for which published quotations are available; or (c) that are shares of a mutual fund for which quotations are published on a daily basis in a newspaper of general circulation.

Quasi-endowments – A quasi-endowment fund is a fund sequestered and invested with other endowments, but whose principal may be used at UDEF's sound discretion.

Revocable trusts – In a revocable trust, the donor transfers assets to a trustee through a written agreement. Income and principal may be payable to the donor for the term of the trust.

Testamentary gifts – Donors can make gifts to UDEF in wills, living trusts, or other estate planning documents.