

# Gift Acceptance Policy & Guidelines

## POLICY OVERVIEW

The Gift Acceptance Policy (the “Policy”) outlines the types of donor gifts that may be accepted by Utah’s Promise / United Way of Salt Lake (“UP / UWSL”). The Policy also serves as guidelines to UP / UWSL staff and volunteers involved with recommending acceptance of gifts and outside consultants or advisors who assist in the gift planning process. The Policy will be reviewed every three years, or as needed.

## PROVISIONS

The UP / UWSL Boards of Directors (hereafter “the Board”) recognizes the importance of establishing policies and procedures to meet UP / UWSL’s development needs and of directing efforts to attract private funding to support the achievement of its purpose and mission.

The Board Finance Committee acts as the Gift Acceptance Committee and is authorized to accept gifts offered to UP / UWSL that meet the Policy guidelines. The Finance Committee may consult with legal counsel on any gift acceptance matters. When, in the opinion of the CEO and/or the Finance Committee, a gift carries the potential for significant risk or is unique in nature, the Finance Committee will develop a recommendation for the Board’s consideration.

### Responsibility to the Community

1. UP / UWSL seeks to work with people that understand and endorse the purpose, objectives, strategies, and operations to which the donation is directed and specifically seek donors’ commitment to work with UP/ UWSL to address those systemic inequities and practices that are at the root of the results UP / UWSL seeks to achieve
2. UP / UWSL may not knowingly accept gifts that have an explicit or implied quid pro quo condition that undermine the results UP / UWSL is working to achieve or that would cause UP / UWSL to violate its code of ethics or core values
3. UP / UWSL may not knowingly accept gifts that were obtained or derived through illegal means
4. UP / UWSL may reject gifts that may undermine UP / UWSL’s mission and/or the results it seeks to achieve
  - a. In cases where a particular gift is in question, the UP / UWSL board will ensure that the necessary expertise is consulted in the decision-making process, with a specific commitment to the inclusion of individuals with direct expertise and the inclusion of the community’s voice (i.e., individuals with lived experience or those impacted by UP / UWSL’s work)

## Responsibility to Donors

1. In all gift matters, UP / UWSL staff and volunteers must be aware of and sensitive to each donor's financial needs and concerns
2. The role of the UP / UWSL representative is to inform and assist the donor and donor's counsel, if applicable, about UP / UWSL gift opportunities. Representatives of UP / UWSL shall use their best judgment to help educate donors about appropriate gift opportunities. UP / UWSL representatives shall advise prospective donors to seek counsel and/or tax advice from their own counsel and disclose that UP / UWSL staff or volunteers solely represent the interests of UP / UWSL
3. UP / UWSL will not accept any gift that knowingly violates the *Internal Revenue Code* or any other applicable law.
4. UP / UWSL will not knowingly: (a) furnish property appraisals or valuations to donors for tax purposes, or (b) participate in a transaction in which the value of a gift is inflated above its true fair market value.
5. In accordance with the provisions of the *Internal Revenue Code* and related regulations, proper records will be kept and required tax returns filed by UP / UWSL for all gifts processed and/or administered by UP / UWSL. The UP / UWSL Chief Financial Officer ("CFO") or their staff shall execute all necessary IRS forms, including, but not limited to, IRS forms 8282 and 8283, that relate to gifts processed and/or administered by UP / UWSL. All executed forms shall be reviewed by the CFO and CEO prior to submission to the IRS.
6. In accordance with UP / UWSL's Donor Privacy Policy, all donation methods are kept confidential to the extent permitted by law. All files will be made available as required by law. All other requests for information will be honored only if the donor has approved the release of information in writing or if current law requires release of the information.
7. UP / UWSL reserves the right to decline donations even if they meet these guidelines, to change these guidelines without notice at any time, and to make exceptions to these guidelines in special circumstances upon approval from the Finance Committee.
8. Contributions do not entitle donors to participate in UP / UWSL decision-making or give donors special access to UP / UWSL leaders or staff.

## TYPES OF GIFTS

Gifts that meet the following conditions may be accepted by the Finance Committee at any time:

1. Cash
  - All legal gifts in the form of cash, check, or credit card, regardless of the amount
  - Checks shall be made payable to Utah's Promise or United Way of Salt Lake
2. Publicly Traded Securities
  - Readily marketable securities, such as those traded on any recognized stock exchange

- Gifted securities will be sold in accordance with UP / UWSL's current investment policy
3. Closely Held Securities
- Non-publicly traded securities may be accepted after approval of the Finance Committee in consultation with legal counsel
  - Prior to acceptance, UP / UWSL shall explore methods of liquidation for the securities through redemption or sale. A representative of UP / UWSL shall contact the closely held corporation to determine estimated fair market value and any transfer restrictions
  - No commitment for repurchase of closely held securities may be made by the security issuer prior to completion of the gift of the securities to UP / UWSL
4. Real Estate
- Real estate gifts may be accepted based on projected financial benefit to UP / UWSL including projected sales price, anticipated time to sell the property, financial encumbrances, and any impairment associated with the property
  - The donor is responsible for obtaining an appraisal of the property prior to making the gift
  - Prior to presentation to the Finance Committee for approval, a member of the UP / UWSL staff must conduct a visual inspection of the property. If the property is in a geographically distant or isolated area, a qualified real estate broker may be engaged to conduct the visual inspection
  - Due to the time and expense associated with gifts of real estate, only gifts with an estimated equity value exceeding \$100,000 may be accepted. Exceptions may be considered by the Finance Committee.
  - Prior to presentation to the Finance Committee, the donor must provide the following documents:
    - Property deed
    - Property tax bill
    - Property title report
    - Property ALTA survey
    - Site plans or any other development studies prepared about the property
    - Any existing leases or agreements encumbering the property, including listing agreements with real estate brokers
    - Current property zoning
    - Phase one environmental assessment conducted by a qualified environmental consultant (a phase two assessment may also be required at the discretion of the Finance Committee)
    - Property appraisal
5. Life Insurance

- UP / UWSL may accept gifts of life insurance policies if the policy is fully funded and has a minimum face value of \$5,000
- UP / UWSL may be named as a primary beneficiary, secondary beneficiary, or contingent beneficiary of a life insurance policy
- Participation in premium financed life insurance programs is prohibited

#### 6. Gifts-in-kind

- Gifts of tangible personal property to UP / UWSL may be accepted, if readily available to redeem or sale for cash. Prospective donors of tangible personal property shall be referred to their tax advisors for any relevant tax advice regarding the gift
- Gifts of jewelry, artwork, collections, and other personal property not related to UP / UWSL's purpose may be accepted on a case-by-case basis
- Gifts of tangible personal property as defined above shall be sold for the benefit of UP / UWSL
- No property which requires special display facilities or security measures shall be accepted by UP / UWSL without consultation with the Executive Committee
- Depending on the anticipated value of the gift, UP / UWSL may have a qualified, outside appraiser estimate the value of the gift before accepting it and independent of the donor's appraisal. Costs of this appraisal shall be paid by the donor
- UP / UWSL adheres to all Internal Revenue Service requirements related to disposing of gifts of tangible personal property and the filing of all appropriate forms

#### 7. Memorials and Honorariums

- All memorial and honorarium gifts received by UP / UWSL will be placed into UP / UWSL's Unrestricted Endowment Fund, unless otherwise restricted.

#### 7. Crypto-Currency

- a. When it is being donated to a charity, crypto is considered by the Internal Revenue Service to be a gift-in-kind and therefore, all guidelines that apply to Gifts-In-Kind, including the deemed fair market value rules, apply to gifts of crypto-currency. Any crypto-currency donor shall advise UP / UWSL of the cost of acquisition if the crypto-currency was acquired in the last 3 years before the donation.

#### 8. Gift of Non-Fungible Token (NFT)

- a. UP / UWSL does not currently accept NFTs

### DEFERRED GIFTS

UP / UWSL will consider participating in the following planned giving instruments ("Deferred Gifts"):

1. Charitable gift annuities
2. Deferred gift annuities
3. Charitable remainder trusts
4. Charitable lead trusts
5. Bequests
6. Retained life estates
7. Donor advised funds
8. Supporting Organization

The Finance Committee shall consider the following guidelines when evaluating Deferred Gifts:

#### 1. Charitable Gift Annuities

- UP / UWSL will utilize the United Way Worldwide (UWW) National Charitable Gift Annuity Program
- UP / UWSL will adhere to the policies of the UWW National Charitable Gift Annuity Program, including but not limited to, the following provisions:
  - There shall be no more than two beneficiaries on a charitable gift annuity
  - The minimum gift accepted to establish a charitable gift annuity is \$10,000
  - No income beneficiary for a charitable gift annuity shall be younger than 60 years old. UP / UWSL follows the American Council on Gift Annuities suggested rates

#### 2. Deferred Gift Annuities

- UP / UWSL will utilize the UWW National Charitable Deferred Gift Annuity Program.
- UP / UWSL will adhere to the policies of the UWW National Charitable Deferred Gift Annuity Program, including, but not limited to, the following provisions:
  - The minimum gift accepted to establish a deferred gift annuity is \$10,000
  - The minimum age for deferred gift annuity payments to commence is 60
  - UP / UWSL follows the American Council on Deferred Gift Annuities suggested rates

#### 3. Charitable Remainder Trusts

- Due to the cost of drafting and administration, the minimum suggested UP / UWSL share required to establish a charitable remainder trust is \$100,000.
- Investment of a charitable remainder trust shall be determined by those hired by the donor. No representations shall be made by an UP / UWSL employee or person acting on behalf of UP / UWSL with respect to management or investment of such charitable remainder trust. UP / UWSL may provide the donor with a list of organizations providing trustee/administrator/investment services but shall make no recommendations with respect to which organization the donor shall use
- The payout rate of a charitable remainder trust shall be determined by the donor in conjunction with the donor's advisor(s). By law, the payout rate cannot be lower than 5% or greater than 50%. The charitable deduction must be at least 10%. UP /

UWSL may illustrate to the donor and donor's advisor(s) how the proposed payout rate may impact the ultimate remainder amount received by UP / UWSL.

#### 4. Charitable Lead Trusts

- Due to the cost of drafting and administration, the minimum suggested amount to establish a charitable lead trust is \$100,000.
- Investment of a charitable lead trust shall be determined by those hired by the donor. No representations shall be made by a UP / UWSL employee or person acting on behalf of UP / UWSL with respect to management or investment of such charitable lead trust. UP / UWSL may provide the donor with a list of organizations providing trustee/administrator/investment services but shall make no recommendations with respect to which organization the donor shall use.
- The payout rate of a charitable lead trust shall be determined by the donor in conjunction with the donor's advisor(s). UP / UWSL may illustrate to the donor and donor's advisor(s) how the proposed payout rates may impact the ultimate remainder amount received by UP / UWSL.

#### 5. Bequests

- Donors of UP / UWSL shall be encouraged to make bequests to UP / UWSL through estate planning instruments. The present value of that gift will be recorded as an expectancy of \$1,000 unless the donor notifies UP / UWSL otherwise. UP / UWSL requires no proof from the donor of the details of his/her bequest. Matured bequests will be deposited into UP / UWSL's Unrestricted Endowment Fund, unless otherwise directed by the donor. The legal name to be used in any bequest is "Utah's Promise / United Way of Salt Lake."

#### 6. Retained Life Estates

- A charitable or retained life estate is an agreement made through a written transfer (deed) of the remainder interest in one's personal residence, farm, or ranch to the ministries and/or charities of their choice. The couple or individual retains the right to live in the home for life, with the charity receiving the property after death. The gift or the remainder interest qualifies for an income tax deduction in the year given.

#### 7. Donor-Advised Funds

- Donors may create or contribute to a charitable fund from which they recommend distributions to UP / UWSL ("DAF").
  - A recommended gift through a DAF is irrevocable.

#### 8. Supporting Organizations

- A supporting organization offers both the operational advantages of a private foundation and the tax advantages of the public charities they support. A supporting organization is subject to fewer restrictions than private foundations but offers the donor less control.

- A supporting organization is classified as a public charity rather than as a private foundation
- A donor establishes a supporting organization, chooses one or several charitable organizations to benefit from the supporting organization which will manage the funds
- The supporting organization may support more than one charity, but all charities must be named at the time the supporting organization is established
- Donors may deduct up to 50 percent of adjusted gross income for gifts of cash to a supporting organization

#### 9. Cy Pres Giving

- a. A cy pres award is a court-ordered distribution of residual funds from a class action settlement to a third-party organization whose mission aligns with the interests of the class members. As nonprofit organizations that support various basic needs through 211 and cradle-to-career initiatives, UP / United Way of Salt Lake may be eligible to receive cy pres awards

### **ADMINISTRATIVE ISSUES**

1. UP / UWSL staff shall not act as an executor or personal representative for a donor's estate
2. UP / UWSL may act as co-trustee on a charitable remainder trust when the trust names UP / UWSL as an irrevocable beneficiary of 50% or more of the trust
3. UP / UWSL may pay for the drafting of legal documents for a charitable remainder trust when UP / UWSL is named as an irrevocable beneficiary of 50% or more of the trust. The donor's own counsel must review the documents at the donor's expense

### **GIFT CREDIT AND RECOGNITION**

Credit and recognition for gifts will follow the gift recognition practices of UP / UWSL.

### **CONFLICT OF INTEREST**

UP / UWSL, its Board, and management are solely responsible for the determination, design, administration, and management of its gift administration practices and. UP / UWSL team members may provide information to donors concerning planning techniques available to achieve a donor's charitable goals

### **CONFIDENTIALITY**

All information concerning prospective donors shall be confidential and comply with UP / UWSL's Donor Privacy Policy.

### **LEGAL/TAX COUNSEL**

In the event legal, tax, or accounting advice is needed, donors shall secure their own advice in all matters pertaining to a gift.

Adopted by the Board of Directors, Utah's Promise / United Way of Salt Lake, on this 4<sup>th</sup> day of December 2025.

*"Asha Parekh"*

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Asha Parekh  
Chair, UP Board of Directors

*"Brian McCallion"*

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Brian McCallion  
Chair, UWSL Board of Directors