

Louisville Zen Center Gift Acceptance Policy

Drafted July 7, 2016

The Louisville Zen Center encourages the solicitation and acceptance of gifts that further the Center's purposes and mission. According to Louisville Zen Center by-laws Article XIII.E., the Board of Directors may accept on behalf of the Center any contribution, gift, bequest, or devise for the nonprofit purposes of the Center.

The Center may accept both cash and noncash gifts that are unrestricted or designated for specific purposes ("restricted gifts"), provided that such gifts are consistent with the Center's mission, purposes, and priorities. In general, any member of the Board of Directors acting on behalf of the Center may accept unrestricted cash gifts. The Board of Directors, however, will make decisions on the acceptance of restricted cash gifts as well as noncash gifts, both restricted and unrestricted. All proposed gifts involving potential liability or substantial costs shall be referred to the Board. Included in this category are proposed gifts of real estate, closely held stock, or restricted stock, as well as transactions governed by contracts or involving possible conflicts of interest. In deciding whether to accept a gift, the Board of Directors will consider any potential associated costs (including maintenance, insurance, transportation, appraisal, potential liability, costs of disposition or sale, etc.) and programmatic implications. In making such decisions, the Board may consult, as appropriate, with others, including outside counsel.

The following specific guidelines apply to noncash gifts of personal property, marketable securities, and real estate:

Personal Property:

In deciding whether to accept gifts of tangible personal property, the Board shall consider:

- Is acceptance of the property consistent with the Center's purposes, mission, and priorities?
- Are there carrying costs associated with the property?
- Is the property marketable?
- Are there any restrictions on the use or sale of the property?

Marketable Securities:

Gifts of marketable securities will either be converted to cash or held in the Center's investment account, as determined by the Board. Donated securities that do not meet the Center's ethical guidelines and/or code of conduct must be sold within one year.

Real Estate:

In deciding whether to accept gifts of real estate, the Board shall consider:

- How useful is the property in light of the Center's purposes, mission, and priorities?

- Are there carrying costs (which may include insurance, property taxes, mortgages, notes, etc.) associated with the property?
- How marketable is the property?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- In addition, the Board may require an environmental review or title search before accepting a gift of real estate. When appropriate, a title binder may also be obtained by the Board prior to the acceptance of the real property gift. These costs are usually paid by the donor.

All unrestricted gifts, once accepted, immediately become the property of the Center and are accepted with the understanding that the gifts have been donated with no restrictions, including restrictions on use, sale, or disposal. Unrestricted gifts will usually be credited to the Center's General Operating Fund; however, in the case of a large unrestricted gift, the gift may be credited to the Center's Investment Fund.

Restricted gifts, once accepted, will be managed in accordance with the agreed restrictions unless and until the restrictions are modified or removed.

A representative of the Center will promptly acknowledge all gifts in writing on behalf of the Center and will provide donors with receipts or tax substantiation letters sufficient to satisfy Internal Revenue Service requirements. The receipt or letter will include a description of the gift and, except for gifts of cash and marketable securities, no value shall be ascribed to any receipt or other form of gift substantiation. Each donor is expected to rely upon his or her own professional counsel concerning the valuation, as well as tax and estate planning implications, of gifts; representatives of the Center shall refrain from advising donors on these issues.