



Mission

COCA-Center of Creative Arts is a pioneering, multidisciplinary community arts center with the mission of enriching lives and building community through the arts. Since its founding in 1986, COCA has been a hub for learning in and through the arts, serving people of all ages, disciplines, and skill levels. With core values of accessibility and diversity, COCA fosters potential into reality and develops creative capacity through high quality, multidisciplinary, multi-cultural arts experiences, including: classes, camps and workshops, arts-integrated education, performances, exhibitions, professional development, and corporate learning engagements.

Purpose

The Board of Directors of COCA and its staff solicit current and deferred gifts from individuals, corporations, foundations and other agencies to secure the future growth and mission of COCA. These policies and guidelines govern the acceptance of gifts by COCA and provide guidance to prospective donors and their advisors when making gifts to COCA. The provisions of these policies shall apply to all gifts received by COCA for any of its programs or services. Any type of giving not presented in these guidelines will be evaluated on a case-by-case basis by COCA's Executive Director and the Executive Committee.

General Fundraising Guidelines

COCA shall conduct all fundraising activities in compliance with the Association of Fundraising Professionals' ("AFP") Statement of Ethical Principles and Standards of Professional Practice as well as the Model Standards of Practice for the Charitable Gift Planner as adopted by the Partnership for Philanthropic Planning ("PPP"). COCA will not participate in gift discussions if there is a question as to the title or ownership of the asset or the donor's competency to transfer an asset.

Use of Legal Counsel

COCA shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by legal counsel is recommended for:

- Closely held stock transfers that are subject to restrictions or buy-sell agreements
- Documents naming COCA as Trustee
- Gifts involving contracts, such as bargain sales or other documents requiring COCA to assume an obligation



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- Gifts involving an appraisal or decision with regard to disposition of the gift in a manner that may impact the tax basis of the donor. Appraisals are the responsibility of the donor and will not be provided by COCA
- Transactions with potential conflict of interest

COCA will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

COCA shall not prepare legal documents for execution by donors. COCA may provide model language, but shall strongly encourage prospective donors to have this language reviewed by their own counsel.

Gifts

Certain types of gifts will generally be accepted without review. Others will only be accepted pending review and approval by the Executive Director and the Executive Committee.

Restrictions on Gifts

- *Unrestricted Gifts:* To provide COCA with maximum flexibility in the pursuit of its mission, donors shall always be encouraged to consider unrestricted gifts or gifts restricted to budgeted priorities of COCA.
- *Budgeted Programs or Facilities:* COCA may accept gifts restricted to specific budgeted programs and purposes.
- *Other Restrictions on Gifts:* COCA may accept gifts restricted to non-budgeted programs and purposes only upon the prior, written approval of the Executive Director and the Executive Committee. COCA reserves the right to decline gifts which are too restrictive in purpose, too difficult to administer, or for purposes outside of its mission.
- *Unrestricted Deferred Gifts:* As donors making large future gifts generally intend for these gifts to benefit the long-term future of COCA, all deferred gifts with a value of over \$25,000 shall be added to the Board Designated Unrestricted Endowment.

Gifts Generally Accepted Without Review

- *Cash Equivalents:* Cash equivalent gifts are acceptable in any form, including check, money order or credit card. Donors wishing to make a gift by check should make all checks payable to: **COCA** or **Center of Creative Arts** or **COCA-Center of Creative Arts**. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, Discover, or MasterCard), name of card holder as it appears on the credit card, card



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number and expiration date. Donations made in actual cash currency, while accepted, are generally discouraged for security purposes.

- *Marketable Securities:* Gifts of marketable securities are generally accepted. Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt. In some instances marketable securities may be restricted by applicable securities laws or the terms of the proposed gift. In such instances, the decision whether to accept the restricted securities shall be made by the Executive Director and the Executive Committee.
- *Bequests:* Donors and supporters are encouraged to make bequests to COCA under their wills and trusts. Such bequests will not be recorded as gifts to COCA until such time that the gift is irrevocable. However, COCA strongly urges donors to notify the organization of such gifts so that the donor may be recognized and acknowledged during his or her lifetime.
- *Charitable Gift Annuities and Deferred Charitable Gift Annuities:* COCA encourages gift annuities as a way to secure its long-term financial stability and goals. Upon submission of a charitable gift annuity to COCA the donor normally must meet the following criteria:
 - Donor must be at least 60 years of age or agree to defer payments until the age of 60.
 - Annuity may include no more than two (2) beneficiaries.
 - Recommended minimum gift annuity level is \$25,000. Proposed gift annuities of lesser value will be subject to approval by the Executive Director and the Executive Committee.

While COCA does not issue charitable gift annuities, COCA possesses the ability to partner with YouthBridge Community Foundation, pursuant to the attached Charitable Gift Annuity Program, or any organization approved by the Executive Director and the Executive Committee which offers charitable gift annuities and includes COCA as residual beneficiary.

- *Beneficiary Designations:* Donors are encouraged to name COCA as a beneficiary under Trusts (Revocable Trusts, Charitable Remainder Trusts, and Charitable Lead Trusts), Life Insurance Policies, Commercial Annuities and Retirement Plans.



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Gifts Accepted Subject to Prior Review and Approval:

Certain forms of gifts or donated properties may only be accepted subject to prior review and approval by the Executive Director and the Executive Committee. Examples of such gifts include but are not limited to:

- *Tangible Personal Property:* Potential gifts of tangible personal property shall be reviewed prior to acceptance to determine the following:
 - Does the gift further the organization's mission?
 - Is the property readily marketable?
 - Are there any unacceptable restrictions imposed on the property?
 - Are there any costs associated with the property which the organization will be responsible for?
 - Is the ownership/title of the property clear?

- *Real Estate:* All gifts of real estate shall be subject to review prior to acceptance. Criteria to be evaluated prior to acceptance should include but are not limited to:
 - Is the property useful for the organization's purposes and/or mission?
 - Is the property subject to any of the following:
 - Covenants
 - Conditions
 - Restrictions
 - Reservations
 - Easements
 - Encumbrances
 - Other limitations
 - Are there any carrying costs such as insurance, property taxes, mortgages, notes, or maintenance expenses associated with the property?

The donor is responsible for obtaining an appraisal of the property. The cost of the appraisal shall be borne by the donor.

Prior to acceptance of a proposed real estate gift, the donor should provide the following to COCA. Unless otherwise agreed the cost of these types of materials should be borne by the donor:

- An appraisal of the property conducted by an independent member of the Appraisal Institute
- Independent Environmental Study of Property, the scope of work to be determined by COCA
- A form of Proposed Real Estate Deed



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- Most recent Real Estate Tax Bill
 - Plat Plan
 - Zoning Confirmation Letter
 - Title Commitment
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- *Life Insurance*: Gifts of life insurance policies where COCA is named as beneficiary and owner of the insurance policy shall be accepted. The donor shall pay any future premium owing on the policy through arrangements made with COCA.
 - *Service as Executor or Living Trust Trustee*: Unless approved in advance by the Executive Director and the Executive Committee, COCA will not agree to serve as executor of a decedent's estate nor as a trustee of a living trust or other trust intended to serve as a person's primary estate planning document.
 - *Charitable Lead Trust*: COCA may accept a designation as income beneficiary of a charitable lead trust. COCA will not serve as trustee of a charitable lead trust.
 - *Charitable Remainder Trusts*: COCA may serve as trustee of charitable remainder trusts, provided that 100% of the remainder interest in the trust is irrevocably dedicated to COCA, and the charitable remainder trust meets the minimum standards set forth in this Gift Acceptance Policy. COCA may serve as trustee of trusts only in circumstances in which its investment authority as trustee is unrestricted. COCA will not serve as co-trustee of a charitable trust. If COCA acts as trustee, the selection of investment manager and custodian, performance evaluation, and administrative accounting services shall be directed by the Executive Director and the Executive Committee. Any changes to the management of the gifts in trust shall be approved by the Executive Director and the Executive Committee.
- Charitable Remainder Trust when COCA Serves as Trustee: COCA will serve as trustee of a charitable remainder trust provided:
 - Minimum funding amount: \$100,000
 - Maximum funding amount: None
 - Minimum ages(s): None
 - Maximum number of lives: None
 - Ultimate beneficiary: COCA for 100%, irrevocably
 - Payout rate: Generally 5%-7%
 - Minimum charitable remainder: 25% of the funding amount
 - Payment schedule: Monthly, quarterly, semi-annual or annual



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- Funding assets: Prior written approval of the Executive Director and the Executive Committee is required for assets other than cash or publicly traded securities
- Costs charged to the trust: Investment management, administration, legal counsel and tax return preparation
- Charitable Remainder Trust when COCA does not serve as Trustee: COCA will accept designation as beneficiary of a charitable remainder trust that does not name COCA as trustee. Donors who create externally managed and trustee trusts will be asked to provide COCA with a copy of the trust document and annual investment reports for record-keeping purposes.
- *Bargain Sales*: Transactions wherein COCA pays less than full value for an asset and issues a gift receipt for the difference may only be accepted upon prior written approval of the Executive Director and the Executive Committee.
- *Closely Held Securities and Other Special Assets*: It is against COCA's investment policy to hold non-publicly traded securities, including partnership interests, and similar assets. These gifts will normally be accepted only if the donor can demonstrate an estimated fair market value and reasonable liquidity. Once senior management has evaluated these factors, approval must be obtained from the Executive Director and the Executive Committee. The value of these gifts will be determined using an independent appraisal and any applicable I.R.S. guidelines.

Miscellaneous Provisions

Endowment Funds

COCA will permit donors to establish a new endowment fund to honor a person or to fulfill a specific purpose or activity. These funds are evaluated on a case-by-case basis. In order to establish a "separated fund," a minimum gift \$250,000 is suggested to help offset the additional investment, administrative, and accounting costs of managing and reporting on separate funds.

For gifts which individually or in the aggregate fall below the threshold for establishing an endowment fund, COCA will record such contributions in the fund relating most closely to the program or activity which reflects the donor's intent. If there are no matching programs or activities, these funds will be recorded into COCA's general endowment fund with a notation of intent.

It is the policy of COCA to retain and/or use restricted gifts for those activities or



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programs specifically identified by the donor. In the event the activity and/or program for which a restricted gift is made ceases to exist for a period in excess of one year, it is the policy of COCA to release said restricted funds into the General Endowment Fund upon Board approval. This policy will be included in the written acceptance letter accompanying any significant gift restricted for permanent endowment.

Gift Agreements

COCA generally uses non-binding statements of intent to document gift commitments. COCA shall create and maintain samples for use by staff and volunteer leadership. All statements of intent shall include a short profile of the donor, the donor's commitment and timeframe for payments, COCA's commitment (including restrictions), stewardship and donor recognition.

- *Unrestricted Commitments Within a Fiscal Year:* COCA does not require statements of intent for unrestricted gift commitments within the current fiscal year.
- *Unrestricted Commitments Covering More than One Fiscal Year:* If the unrestricted commitment shall cover more than one fiscal year, a simple letter or card documenting the gift amount and payment schedule may be substituted for a formal statement of intent.
- *Commitments Subject to Restrictions:* COCA requires an executed statement of intent for all commitments subject to restrictions, including restricted endowment gifts.
- *Commitments Over \$500,000:* COCA should have an executed, binding gift agreement (pledge) for all commitments over \$500,000, unless waived in writing by the Executive Director as approved by the Executive Committee.

Gift Acknowledgement

Upon receipt of a gift made by donors and supporters, the Development Department of COCA will provide written documentation of all donations.

Upon request, donors can receive annual confirmation documenting the specifics of their gift for the calendar year.

Responsibility to Donor

- **Confidentiality:** COCA shall hold in confidence all information concerning transactions between a donor and COCA; any information may be disclosed only with the permission of the donor or the donor's designee.



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- Anonymity: COCA shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor's identity.

Naming Opportunities

Certain naming opportunities may present themselves in relation to gifts solicited for an endowment or capital campaign. In these instances, COCA reserves the right to wait until at least 50% of a pledge has been paid before ordering appropriate signage or making public acknowledgement of the gift.

Reporting and Valuation Standards

Gift Reporting and Counting: COCA shall follow the *PPP Guidelines for Reporting and Counting Charitable Gifts*, Second Edition 2009. All exceptions to these standards shall be approved by the Executive Director and the Executive Committee.

Gift Valuation: COCA shall follow the *PPP Valuation Standards for Charitable Planned Gifts*. All exceptions to these standards shall be made by the Executive Director and the Executive Committee.

COCA's Create Our Future Campaign Policy

This policy incorporates the COCA Create Our Future Campaign Gift Policy ("Campaign Policy") dated August 24, 2016. Any conflicts arising from the COCA Gift Acceptance Policy will be resolved at the discretion of the Executive Director and Executive Committee subject to the provisions of Campaign Policy.