

Hu'elani AOA Policy for the Acceptance of Donations

# Hu'elani Association of Apartment Owners (AOAO) Donation Policy

## Guidelines for Acceptance, Use, and Acknowledgment of Donations

### Purpose

The purpose of this policy is to establish clear and consistent guidelines for the acceptance, use, and acknowledgment of monetary and non-monetary donations made to the Hu'elani Association of Apartment Owners (AOAO).

### General Policy

The Hu'elani AOA Board of Directors may accept voluntary donations. All such donations must be made without restriction on the association's use of the funds, except as outlined in this policy. Donations to Hu'elani AOA are not tax deductible for the donor, and Hu'elani AOA cannot use general assessment funds to make charitable donations.

### Acceptance of Donations

- **Monetary donations:** All monetary donations must be submitted to Hu'elani AOA President or Treasurer.
  - **In Memoriam monetary donations:** The donation must specify in writing that the donation is for "in memoriam" purposes and provide the name of the deceased individual.
- **Non-monetary donations:** The Board of Directors must review and approve all non-monetary donations, such as electronic equipment, gym equipment, trees, or other property, on a case-by-case basis. The board will consider factors such as ongoing maintenance costs, aesthetic consistency, and practical use before acceptance.
  - **In Memoriam non-monetary donations** - The Board of Directors must review and approve all non-monetary donations, such as plaques, benches, trees, or other property, on a case-by-case basis. The board will consider factors such as ongoing maintenance costs, aesthetic consistency, and practical use before acceptance.

### Use of Donations

Donated funds will be used for a purpose approved by the Board of Directors that benefits the entire community. Funds will not be used for private purposes or for projects that serve only a portion of the community, and will be used as follows:

- Donated funds will be placed into the general operating fund.
- The Board of Directors will determine the specific project or use for the donated funds at their discretion, in accordance with the association's mission and fiduciary duties.

- Any donated assets, such as park benches or other physical items, will become the sole property of Hu'elani AOA for use in common areas and may be removed or replaced at the sole discretion of the Board of Directors.

### **Acknowledgment of donations**

The Hu'elani AOA Board of Directors will provide acknowledgment of donations to the donor and clearly state that the donation is not tax deductible. In the case of “in memoriam” donations, to both the family of the deceased and any additional donors.

- **Notification to the family:** A designated Hu'elani AOA Board Director/representative will send a notification letter to the family of the deceased. This letter will acknowledge that memorial donations have been received and list the names of the donors. The letter will not include the specific amount of each donation.
- **Acknowledgment to donors:** Hu'elani AOA Board Director / representative will provide a written acknowledgment to each donor, thanking them for their contribution. This letter will not mention the donation amount and will clearly state that the donation is not tax deductible.

### **Transparency & Records**

The Board of Directors will maintain accurate and confidential records of all donations, including donor names, or individual being memorialized, and the amount donated. This information will be kept in a secure location and handled with discretion.

### **Restrictions**

- **No special privileges:** Donations will not result in any special privileges or treatment for the donor or the family of the deceased.
- **No individual benefit:** Donations will be used to benefit the entire community, not to provide special advantages to any single resident or family.
- **Tax implications:** As stated, Hu'elani AOA is not a charitable organization, and donations are not tax-deductible. Hu'elani AOA will consult with its accountant regarding any tax liabilities associated with accepting donations.

### **Review and amendments**

This policy shall be reviewed by the Board of Directors as needed and may be amended by a majority vote of the Board.

### **Legal Counsel**

The Board of Directors reserves the right to seek legal counsel on any matters related to the acceptance of gifts, especially those involving unusual restrictions or potential conflicts of interest

<i>Helen Landicho</i>	03/18/2026
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