



Gift Acceptance Policy

I. Purpose of Policies and Guidelines

The Clergy, the Clergy's staff, and members of various committees, commissions, agencies, and boards of the Congregation solicit current and deferred gift from individuals, corporations, and foundations to secure the future growth and mission of the Congregation. These policies and guidelines govern the acceptance of such gifts and provide guidance to prospective donors and their advisors when making gifts to the Congregation. The provisions of these policies shall apply to all gifts received for any of the programs or services of the Congregation. The Development Director in consultation with the Chief Financial Officer and the Clergy will update these policies as necessary.

II. Use of Legal Counsel

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

- a) closely held stock transfers that are subject to restrictions or buy-sell agreements
- b) documents naming the Congregation as Trustee
- c) Gifts involving contracts, such as bargain sales or other documents requiring the Congregation to assume obligation
- d) Transactions with potential conflict of interest that may invoke IRS sanctions
- e) Other instances in which use of counsel is deemed appropriate

The Congregation 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. The Congregation cannot and will not render any legal advice concerning tax liability and/or estate planning matters. Legal fees incurred by the donor in the completion of a gift are the responsibility of the donor.

III. Restrictions on Gifts

The Congregation may accept unrestricted gifts, and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. The Congregation will not accept gifts that are overly restrictive in purpose. Gifts that are overly restrictive are those that violate the terms of the Congregation's charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Congregation. The Development Director, in conjunction with the Chief Financial Officer and the Clergy, is responsible for implementing these policies. The Congregation will review its Gift Acceptance Policy periodically.

IV. Types of Gifts

A. The following gifts are acceptable:

1. Cash
2. Securities
3. Tangible Personal Property
4. Real Estate
5. Planned Gifts
 - a. Bequests
 - b. Charitable Gift Annuities
 - c. Charitable Remainder Trusts
 - d. Charitable Lead Trusts
 - e. Life Insurance

The Congregation will consult with real estate appraisers, environmental analysts, property brokers, and specialized legal counsel to ensure that it has the expertise available to analyze a proposed gift appropriately.

B. The following criteria govern the acceptance of each gift form:

1. **Cash:** Cash is acceptable in any form. Checks shall be made payable to the NAME and shall be delivered to ADDRESS
2. **Securities:** The Congregation can accept both publicly traded securities and closely held securities.

Publicly Traded Securities: Appreciated marketable publicly-traded securities will be accepted and sold upon receipt unless otherwise directed by the Development Director in consultation with the Chief Financial Officer and the



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Clergy. Donors should not sell the stock; they should contact the Congregation for instructions on how to transfer their stocks to the Congregation's broker.

Closely Held Securities: Closely held securities, which include not only debt and equity positions in non-publicly traded companies, but also interests in LLPs and LLCs or other ownership forms, can be accepted subject to the approval of the Development Director in consultation with the Chief Financial Officer and the Clergy. However, gifts must be reviewed prior to acceptance to determine that:

- there are no restrictions on the security that would prevent the Congregation from ultimately converting those assets to cash,
- the security is marketable, and
- the security will not generate any undesirable tax consequences for the Congregation.

If potential problems arise on initial review of the security, further review and recommendations by an outside professional may be sought before making a final decision on acceptance of the gift. The final determination on the acceptance of closely held securities shall be made by the Development Director in consultation with the Chief Financial Officer, the Clergy, and legal counsel when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

3. **Tangible Personal Property:** These gifts include artwork, jewelry, cars, boats, and any other personal property item owned by a donor. These gifts will rarely be accepted, and if they are ever considered for acceptance by the Congregation, they shall be examined in light of the following criteria:

- Does the property fulfill the mission of the Congregation?
- Is the property marketable?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?

4. **Real Estate:** Gifts of real estate will rarely be accepted. These types of gifts may include developed property, undeveloped property, or gifts subject to a prior life interest. In the event that one of these gifts is being considered for acceptance, the Congregation shall require an initial environmental review of the property to ensure that the property has no environmental damage. If the initial inspection

reveals a potential problem, the Congregation shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall be an expense to the donor.

When appropriate, a title binder shall be obtained by the Congregation prior to the acceptance of the real property gift. The cost of this title binder shall be an expense of the donor.

Prior to acceptance of the real property, the gift shall be approved by the Chief Financial Officer in consultation with the Clergy, the Chancellor, and the Development Director. Criteria for acceptance of the property shall include:

- Is the property useful for the purposes of the Congregation?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs which may include insurance, property taxes, mortgages or notes, etc., associated with the property?
- Does the environmental audit reflect that the property is not damaged?

If the estimated value of tangible personal property or real estate exceeds \$500, the donor will be directed to the US Internal Revenue Service requirements regarding the substantiation of charitable contributions. Should the donor wish to reflect the contribution in its income tax return, the donor should obtain a qualified appraisal of the equipment from an independent appraiser, complete IRS Form 8283, and provide a copy to the Congregation.

Planned Gifts: The Congregation may accept the following planned gifts.

- 1) **Charitable Gift Annuities:** The Congregation offers both current and deferred charitable gift annuities to its donors. The minimum funding amount is \$10,000. The Congregation adheres to the rates set by the American Council on Gift Annuities. The minimum age for current life income beneficiaries of a gift annuity shall be 65, and the minimum age for a deferred charitable gift annuity is age 55. No more than two life income beneficiaries will be permitted for any gift annuity. Annuity payments may be made on a quarterly, semi-annual, or annual schedule. The Congregation will accept only cash or marketable securities for current annuities, and will consider real estate or closely held stock for deferred gift

annuities with a deferral period of five years or more, with the approval of the Gift Exceptions Committee.

- 2) Charitable Remainder Trusts: The Congregation encourages its donors to name the organization as a remainder beneficiary of a charitable remainder trust and will work with its donors to structure such agreements. However, The Congregation will not serve as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.
- 3) Revocable Trust Agreements: The Congregation encourages its donors to name the organization as a beneficiary of all or a portion of a revocable trust agreement.
- 4) Charitable Lead Trusts: The Congregation may accept a designation as income beneficiary of a charitable lead trust.
- 5) Retirement Plan Beneficiary Designations: Donors and supporters of The Congregation will be encouraged to name The Congregation as beneficiary of their retirement plans. Such designations will not be recorded as gifts to The Congregation until such time as the gift is irrevocable.
- 6) Bequests: Donors and supporters of The Congregation will be encouraged to make bequests to The Congregation under their wills and trusts. Such bequests will not be recorded as gifts to The Congregation until such time as the gift is irrevocable.
- 7) Life Insurance Beneficiary Designations: Donors and supporters of The Congregation will be encouraged to name The Congregation as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to The Congregation until such time as the gift is irrevocable.