

First Universalist Church Gift Acceptance Policies

February 21, 2013

Purpose of Policies and Guidelines

Current and planned gifts are solicited by the Church to fund ongoing operations and to secure the future of the Church. These policies and guidelines govern the acceptance of gifts by the Church and provide guidance to prospective donors and their advisors when making gifts to the Church. The provisions of these policies shall apply to all gifts, including annual pledges, memorials and bequests, planned gifts, as well as other gifts received by the Church for any of its programs or services.

Unrestricted Gifts

Donations of gifts for unrestricted or general purposes provide maximum flexibility to the Church. Annual pledges and payments from the membership are considered unrestricted gifts, as are other current gifts from members and others that are not otherwise restricted by the donor for a specific purpose.

Unrestricted bequests and other estate gifts under \$10,000 will be allocated to the general fund.

Unrestricted bequests and other estate gifts equal to or greater than \$10,000 will be allocated to the Legacy Fund, however 10% of each such gift may be retained for the general fund within the fiscal year in which the gift was received, at the discretion of the Board of Trustees.

Restricted Gifts

The Church will accept gifts for specific programs and purposes, provided that such gifts are consistent with the stated Values, Mission and Visionary Goals of the Church. Gifts that violate the terms of the corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the programmatic priorities of the Church may not be accepted.

The Board of Trustees, upon recommendation of the Gift Acceptance Committee, shall have final authority regarding the restrictive nature of a gift, and its acceptance or refusal.

Gift Acceptance Committee

The Gift Acceptance Committee is charged with making recommendations to the Board of Trustees about gifts other than cash and publicly traded securities given to the Church as outlined in these policies. It is composed of:

- President of the Board of Trustees
- Treasurer of the Board of Trustees
- Member of the Ministerial Team
- Chair of the Planned Giving Team
- Chair of the Pledge Team
- Director of Finance and Administration

Types of Gifts

1. Securities

Gifts of publicly traded securities shall be acknowledged as of the date received by the number and identification of the shares transferred. The value that the Church recognizes as a contribution (per IRA regulations) is based on the mean of the high and low trading values of the security on the date received by (subject to control of) the Church. The tax deductible value of the gift should be determined by the donor. It is the policy of the Church to sell securities promptly following receipt.

2. Real Estate

Gifts of real estate may be accepted at the discretion of the Board of Trustees upon recommendation of the Gift Acceptance Committee. Because each parcel of real estate is unique, the acceptance and completion of a proposed gift will depend on the facts and circumstances of the potential gift, including any debt associated with the property. Therefore, following preliminary review by the Gift Acceptance Committee, a gift of real estate recommended for consideration will be handled in two phases:

- Review and due diligence including a qualified independent appraisal, an environmental assessment, and a title search. There should be a clear understanding with the donor as to who will incur related costs of this due diligence.
- Transfer of Title with both donor and Church advised by their respective legal counsel, and approval of final documents.

The Church will seek to sell most gifts of real estate and will apply the net proceeds according to the donor's wishes, subject to the other terms of these Gift Acceptance Policies. The Church may retain the services of a third party agency to receive and manage the sale of a gift of real estate.

3. Tangible Personal Property

The Church may accept gifts of tangible personal property if there is an immediate use for the property within a program of the Church or if the gift can be easily converted to cash. Gifts with an estimated value of less than \$5,000 for which there is no immediate use within a program of the church will not be accepted. For gifts estimated to be valued at \$5,000 or more for which there is no immediate use within a program of the church, acceptance is subject to the approval of the Board of Trustees, upon recommendation of the Gift Acceptance Committee.

If the donor intends to claim a tax deduction for such a gift with an estimated value of \$5,000 or more, it is the donor's responsibility 1) to obtain at his/her expense an independent qualified appraisal of the property documenting that the property is valued at \$5,000 or more, and 2) to establish that the property satisfies the IRS "related use" rule.

All accepted donations of tangible personal property immediately become the property of First Universalist Church with the understanding that the gifts for which there is no immediate use within a program of the Church will be converted to cash as quickly as possible.

4. Life Insurance

The Church may accept gifts of life insurance when the Church becomes both the owner and the irrevocable beneficiary of the policy. It also prefers life insurance policies that are fully paid. All partially paid policies must be accompanied by a written agreement regarding future payment of premiums. The Church shall retain the right to surrender the policy at its sole discretion. Proposed gifts must be presented to and approved by the Board of Trustees, upon recommendation of the Gift Acceptance Committee prior to acceptance by the Church. Gifts will be recorded as of the date that the transfer of policy ownership is recorded by the insurer.

5. Qualified Retirement Plans

The Church may accept gifts of assets from qualified retirement plans, subject to IRS regulations. It is most advantageous for the donor to name the Church as a primary or secondary beneficiary of such plans in documents held by the plan custodian. Note: Intended gifts of retirement plan assets are revocable and, consequently, do not result in an income tax deduction.

6. Other Gifts

In addition to outright bequests, gifts of Charitable Gift Annuities, Charitable Remainder Trusts and Charitable Lead Trusts are welcome and are subject to the applicable provision of this Gift Acceptance Policy. Information is available from the Planned Giving Team or the Director of Finance and Administration.

Recognition of Gifts

First Universalist Church shall acknowledge all gifts and donations in a manner that respects and honors the wishes of the donor. The Church may presume that donors or their authorized representatives permit public announcement of any features of a gift. If a donor indicates a desire for anonymity or confidentiality, such requests should be made in writing and the Church will undertake its best efforts to hold details of the gift and investment information in confidence.

Planning of Gifts

First Universalist Church encourages donors to disclose their bequest intentions to the Church in writing to ensure the Church is able to carry out their wishes and that the gifts conform to the principles stated in this Gift Acceptance Policy.

Definitions

Current Gifts. As distinguished from Planned Gifts, these are gifts from living donors. These may be one-time, outright gifts, or pledges to be paid over a period of years. They may be restricted or unrestricted in purpose.

Planned Gifts. These are commitments—or the result of commitments—to make a gift in the future, usually at the death of the donor. They may be simple bequests (an amount or a percent of an estate designated in

the donor's will or living trust), life insurance or retirement fund proceeds, or "split income" gifts such as charitable remainder trusts or charitable gift annuities. Split income gifts are financial instruments that provide income for life or a period of years to a living beneficiary (which may be the donor) and, at the end of the term or the beneficiary's death, the "remainder" of the trust or annuity goes to the charity. They may be restricted or unrestricted in purpose. Planned gifts are also sometimes referred to as "estate gifts."

Restricted Gifts. These are gifts made with some stipulation by the donor regarding the use of the gift or its proceeds if the gift is illiquid. The restriction may be in purpose, time or both. Restricted gifts that are not specifically solicited for a restricted purpose (such as a capital campaign or an endowment fund) may be rejected by the charity if the donor's restriction is contrary to the plans or best interests of the charity.

Unrestricted Gifts. Gifts that are not restricted in their purpose or the time in which they must be used. These are the most flexible and desirable gifts because they allow the charity to apply the proceeds to the greatest needs, now or in the future.

Tangible Personal Property. Gifts of things rather than cash or marketable securities. Tangible personal property may be accepted and retained by a charity because it is needed or useful in meeting its charitable purpose, or it may be liquidated (sold) with the proceeds used by the charity for restricted or unrestricted purposes. The tax regulations that apply to gifts of tangible personal property are complex and must be reviewed carefully by the donor. For gifts valued at \$5,000 or more, the donor must obtain a qualified appraisal in order to claim a tax deduction for the current value of the gift. Generally the charity will not acknowledge the value of such a gift; the gift acknowledgement will only provide a description of the property. The charity may reject a gift of tangible personal property at its sole discretion.

Approved by the Board of Trustees 2/21/2013
Dan Berg, Secretary