

COMMUNITY PRESBYTERIAN CHURCH

GIFT ACCEPTANCE POLICY



Approved by Session

12/28/2016

Table of Contents

1	Mission Statement	1
2	Purpose of These Policies	1
3	General Principles	1
4	The Church’s Commitment to Donors	3
5	Purposes of Gifts	5
5.1.1	Unrestricted Gifts to the Operating Fund	5
5.1.2	Deacons Fund.....	5
5.1.3	Gifts Restricted to a Specific Ministry.....	5
5.1.4	Memorial Gifts.....	6
5.1.5	Gifts to Endowment.....	6
5.1.6	Unrestricted Planned Gifts	6
6	Types of Gifts	6
6.1.1	Cash	6
6.1.2	Publicly Traded Securities	7
6.1.3	Closely Held Securities	7
6.1.4	Real Estate	7
a)	Real Estate Evaluation.....	7
6.1.5	Tangible Personal Property	8
6.1.6	Planned Giving.....	8
a)	Wills and Bequests	8
b)	Life Insurance Gifts	9
c)	Life Income Gifts	9
d)	Gifts from Your Retirement Plans	9
e)	Donation from an IRA	9
7	Contribution Statement	10
8	For More Information	10

1 Mission Statement

- 1.1 Christian stewardship begins with God's invitation to give. As Christians we believe in the Scriptural principles of generous giving including proportionate giving. We believe that returning to the Lord a portion of the gifts He has first given us is both a privilege and an appropriate response in all times and circumstances.
- 1.2 Community Presbyterian Church wishes to encourage gifts to help fulfill its mission and to support its ministries, program, and goals. This policy is intended to provide guidance to both donors and the Church in the acceptance of gifts. The following policies outline the process by which generous donors may benefit the Church with present and future gifts, and how those gifts shall be accepted.

2 Purpose of These Policies

- 2.1 CPC will seek current and deferred gifts from donors to secure the present and future growth and mission of the Church. These policies define the process for the review of prospective gifts prior to acceptance by the Church which will consider the merits of a particular gift and its proposed form. A recommendation for acceptance will be made by the appropriate Team (as described later in this document) with a final review and approval by Session.
- 2.2 All gifts must be consistent with CPC policies, goals and guidelines as established from time to time by the Session, as well as those policies established by the General Assembly of the PCUSA or as set out in the Book of Order.
- 2.3 CPC reserves the right to decline any gift that in any way detracts from its purpose, mission, long-range goals, character, integrity, or independence. This policy requires that the Church consider the merits of a particular gift: by means of a recommendation for acceptance by the appropriate Team (Memorial gifts by the Memorial Team, bequests and planned gifts by the Endowment Team, major gifts of cash, stock or real estate by the Finance Team), with a final review and approval by Session.

3 General Principles

- 3.1 CPC encourages and accepts gifts for the purpose of supporting the Church's programs, ministry and mission and providing for the upkeep, maintenance and enhancement of the physical facilities of the Church. Gifting opportunities include:

- 1) Pledging to the CPC annual budget
 - 2) Providing for capital improvements or expansion campaigns
 - 3) Increasing the CPC endowment
 - 4) Supporting special pleas in times of need
 - 5) Developing special projects to enhance or maintain the Church building and properties
 - 6) Continuing special offerings as may be promoted by the General Assembly, such as: One Great Hour of Sharing; Joy Offering
 - 7) Encouraging memorial gifts
 - 8) Gifting to special purposes or projects envisioned by the donor that meet the recommendation of the Finance Team and approval of Session of CPC
 - 9) Supporting approved mission outreach at home and abroad by individuals and groups.
- 3.2 Gifts may be made outright, as planned gifts, or as gifts deferred in wills and trusts or contingent on future events. Gifts may be made with various kinds of assets. This statement of the policies and procedures under which CPC will accept such gifts applies to all gifts made to the Church.
- 3.3 It is not possible to set out policies and procedures that cover or anticipate every gift circumstance that may be proposed, and the Church encourages innovative gifting ideas. These criteria are intended to cover some of the more common gifting situations and provide general guidelines. It is recognized that some deviation from these standards may be necessary or desirable to meet specific circumstances or changes in the tax laws or Church policy. However it is expected that these standards will provide useful guidance to potential donors in planning their gifts.
- 3.4 CPC will not accept gifts that violate its ethical, moral, social or theological standards or require discrimination based on impermissible characteristics such as race, national origin, gender, sexual orientation or political persuasion. CPC may refuse to accept gifts which cost the Church more than the value of the gift, cause undue use of Church resources and personnel, or subject the Church to legal liability. CPC will not accept a gift that will produce Unrelated Business Taxable Income (“UBTI”) to the Church.

- 3.5 All gifts will be classified as unrestricted unless made in response to an announced campaign or if the donor has expressly specified one or more restrictions on the use of the gift. Any such restrictions on the use of the gift must be approved by the Finance Team and the Session before the gift is accepted.
- 3.6 Donors are encouraged to recognize that many years may pass after the gift is made, and the needs, policies, mission and circumstances of the Church may change in unforeseen ways. The Finance Team and Session must make use of funds in the best interests of CPC under the then current circumstances and in accord with the donor's intent. Thus donors are encouraged to avoid excessively detailed limitations and restrictions on their gifts.
- 3.7 All gifts shall be deemed irrevocable unless otherwise agreed to by the CPC.
- 3.8 Property contributed to CPC will be acknowledged by letter describing the property donated. It will be the sole responsibility of the donor to obtain any necessary appraisals to conform to applicable tax laws and regulations to achieve a charitable deduction. The expenses in obtaining the appraisals will be the responsibility of the donor.

4 The Church's Commitment to Donors

- 4.1 By accepting a gift, the Church will adhere to the following principles and guidelines:
 - 1) CPC recognizes it has a commitment to honor the expressed intent of the donor to the fullest extent possible consistent with the policies and procedures set out in this statement.
 - 2) CPC shall use accepted gifts for the purposes designated by the donor or as set forth in any offering or solicitation materials or in the official acceptance of the gift.
 - 3) CPC shall safeguard the donor's privacy and other confidential information furnished by the donor. However, subject to the donor's paramount concern for privacy, CPC believes it fitting and proper to recognize and honor the generosity and faithfulness of its donors as examples of good Christian stewardship and as encouragement to others to make gifts.
 - 4) The donor or the donor's legal representatives shall have the right to approve or disapprove disclosure of the donor's identity and any public announcement or recognition of the gift.

- 5) Acceptance of gifts not in fulfillment of pledges (other than anonymous gifts and unsolicited cash or checks under \$250 placed in the offering plate) will be confirmed in writing.
- 6) Any restriction on the gift accepted by the Finance Team and Session of the Church will be confirmed in writing and will be observed to the best of the Church's ability.
- 7) Gifts of tangible assets other than those to be used by the Church to fulfill its mission and purpose will be sold. If the donor does not otherwise direct, the proceeds will be used as recommended by the Finance Team and approved by Session.
- 8) CPC will not assign values to any gift other than cash. Any required appraisals are the responsibility of the donor.
- 9) CPC is unable to assure that the donor will receive any specific tax benefits that may have been a motivating factor for the gift.
- 10) CPC will provide knowledgeable staff, or qualified consultants, to answer questions and provide information to prospective donors to plan and facilitate their gifts.
- 11) CPC encourages donors to consult with their financial and/or legal advisors as to the tax and other personal financial consequences of the gift.
- 12) CPC will follow all applicable laws relating to charitable giving and fund raising activities.
- 13) The Endowment Committee, Memorial Committee, Finance Team and Session of CPC will reexamine these policies and procedures from time to time in order to consider making necessary changes and improvements to assure affording donors optimum giving opportunities.
- 14) Payment of pledges or other regular gifts will be acknowledged semi-annually in writing.

5 Purposes of Gifts

5.1 Gifts to Community Presbyterian Church can be made for a wide variety of purposes that further the Church's mission and goals. These purposes include:

5.1.1 Unrestricted Gifts to the Operating Fund

- 1) Unless restricted by the donor, gifts to Community Presbyterian Church are directed to the general operating fund of the Church. (Note: Unrestricted gifts through bequests are handled differently as described below.) The general operating fund supports all regular recurring ministries of CPC – such as Worship, Music, Global Missions and Local Outreach, salaries, operation and upkeep of buildings, equipment and grounds, and administrative operations. CPC encourages all of its members and attendees to support the operating fund as part of their overall support for the Church.

5.1.2 Deacons Fund

- 1) Our Deacons provide special support to people in need both within our congregation and in the local community including congregational care, community care.
- 2) The administration of the Deacons Fund including all disbursements is subject to the exclusive control and discretion of the Deacons and Session. The Church may consider suggested designations, but is not bound in any way to honor them, since they are accepted only on the condition that they are mere suggestions or recommendations.

5.1.3 Gifts Restricted to a Specific Ministry

- 1) In addition to support for the operating fund and Deacons, donors can make gifts restricted to support a Session approved ministry of CPC such as Outreach, Youth, Children, Music, Capital Improvements, etc. In general, such restricted gifts will provide additional support to that ministry outside of the general operating fund. CPC reserves the right to decline gifts for ministries that have not been approved by Session.
- 2) Community Presbyterian Church is blessed to have a wide range of missions and programs. These range from short-term projects to programs which continue for many years. In order to provide funding for many of these programs, a system of Designated Funds has been established.

5.1.4 Memorial Gifts

- 1) CPC encourages gifts made in honor or memory of friends or loved ones that support the mission and ministry of the Church. Designated gifts should be made in consultation with the Pastor and the Memorial Team. Gifts that are made without a designation will be placed in an undesignated Memorial fund.

5.1.5 Gifts to Endowment

- 1) The Endowment Account contains assets invested by the church from which only the interest income can be expended for a variety of purposes. The principal remains untouched in perpetuity. It is the donor who identifies his or her gift as an endowment as part of their planned giving. Endowment gifts can be further restricted by the donor so that the income can only be used for particular purposes.

5.1.6 Unrestricted Planned Gifts

- 1) When CPC receives an unrestricted gift through a will, bequest, or other planned gift, it distributes the income to support the long-term goals of the church as approved by the Endowment Committee and Session. These goals may change from time-to-time.

6 Types of Gifts

6.1 Gifts can be made to CPC in a variety of forms, and we encourage donors to consider the different ways to give. CPC reserves the right to decline gifts for a variety of reasons described below. The church will not accept any gift if there is any question as to whether the donor has sufficient title to the assets, or whether the donor is legally able to transfer the property as a gift.

6.1.1 Cash

- 1) Gifts in the form of cash and checks shall be accepted regardless of amount. Please make checks payable to “Community Presbyterian Church” or “CPC”. Never make them payable to an employee, agent, or volunteer of the Church.

6.1.2 Publicly Traded Securities

- 1) Gifts of publicly traded securities, stocks and bonds may be accepted by the Church. CPC is solely responsible for all decisions related to disposition of securities, and its general policy will be to sell them as soon as practical. Valuation of the securities for purposes of the donor's tax records is the responsibility of the donor and his or her financial institution. The church will provide a letter of acknowledgement noting the high and low values of the shares on the date the gift was received. Any costs related to the sale of the securities or any change in market value from the date of the gift to the date of sale will be incurred as income or expense by the Church. Unless authorized by the Finance Team, no employee or volunteer working on behalf of the church will commit to a donor that the church will hold a particular security for any period of time.

6.1.3 Closely Held Securities

- 1) Non-publicly traded securities will only be accepted after approval of the Finance Team or Session.

6.1.4 Real Estate

- 1) The Finance Team or Session must approve any gift of real estate in advance. Before accepting a gift of real estate, an inspection must be conducted by a party chosen by the church who shall have no business or other relationship to the donor. Such inspection will be at the donor's expense. In general, residential real estate located outside the area of the church will not be accepted as a gift unless there is reason to believe it is reasonably marketable. All proposed real estate gifts will be evaluated prior to acceptance according to the following criteria.

a) Real Estate Evaluation

1. Marketability
2. Proximity to CPC's existing property or potential use
3. Costs associated with sale
4. Liabilities (environmental hazards, insurance requirements and liens)
5. Restrictions on use
6. Effect on CPC's status as a non-profit entity

7. Any defect in title
8. Licensing requirements, or other legal ramifications
9. Constraints in alienation, (e.g., requirements to hold for a time before sale)
10. Costs to own and maintain property, if not sold.

6.1.5 Tangible Personal Property

- 1) CPC prefers that donors convert tangible personal property to cash before donating to the Church. However, with prior approval of the Endowment and Finance Team or Session, gifts of tangible personal property can be accepted if there is reason to believe the property can be quickly disposed of or used to further the Church's mission or ministries. An appraisal under terms of the Internal Revenue Code governing gifts of property of this type shall be obtained at the donor's expense. No personal property shall be accepted that obligates the Church to ownership of it in perpetuity.

6.1.6 Planned Giving

- 1) Community Presbyterian Church encourages donors to consider how they can further the kingdom of God through planned gifts, creating an enduring legacy through responsible stewardship of their assets.
- 2) A planned gift is typically given from a person's assets rather than income, such as a bequest, a gift annuity, charitable trust, or other arrangement that is usually received upon the death of the donor. A planned gift usually requires the services of a professional to complete the gift arrangement. The most common forms of planned gifts include:

a) Wills and Bequests

1. Bequests through a will are perhaps the easiest and most common method. An attorney should review and approve the language used. It is important that the proper legal name and address of the church be used when designating it as a recipient of a gift. In any documents, please list the church as:

Community Presbyterian Church, P.O. Box 1689, 529 NW
19th St., Redmond, OR. 97756

b) Life Insurance Gifts

1. Life insurance is another way to make a gift to CPC. A new policy may be purchased and the church named as the owner and beneficiary; the premiums can be made as contributions to CPC and will be tax deductible.
2. Donors may also make CPC the beneficiary of a percentage or all of an existing policy by simply updating a beneficiary form. Contact the life insurance company for the correct process.

c) Life Income Gifts

1. Life Income Gifts provide a donor and designated beneficiaries an income for life in exchange for a gift. Such gifts can be established in several ways, the most common of which include: Charitable Gift Annuities, Charitable Remainder Trusts, Charitable Lead Trusts, or participation in a Pooled Income Fund. Contact a member of the Endowment Team or Pastor for additional information.

d) Gifts from Your Retirement Plans

1. Donors may name Community Presbyterian Church as a beneficiary of their retirement plan. There is a tax advantage to doing this as the church does not pay tax on this distribution. To list CPC as a beneficiary, use a retirement plan administrator.

e) Donation from an IRA

1. The Pension Protection Act of 2006 was enacted in August, 2006 and has been extended more than once. The charitable incentives open up powerful new options for current IRA rollover gifts from individuals age 70 ½ and above to the church and other qualified public charities.

2. For those who have more IRA income than needed, and are 70 ½ or older, they may gift up to \$100,000 of an IRA to charity. They could fulfill an annual pledge or make an additional gift from an IRA if they qualify. It's very easy to make the gift by directing a custodian to transfer an amount or a percentage of an IRA directly to the Church. The amount of the transfer is not taxable income, because it is going directly to CPC. It doesn't affect the taxability of the donor's Social Security; it will count toward the required minimum distribution, and will not qualify for an income tax deduction. It is about as simple a gift as can be made, whether tax deductions are itemized or not.
3. Donors should consult their IRA custodian regarding the process needed to make an IRA Charitable Rollover to the church and other favorite charities.

7 Contribution Statement

- 7.1 CPC will send a statement of contributions to each donor semi-annually . Donors are encouraged to review these statements and notify the Church of discrepancies or corrections to how their gifts were recorded. To be included in a given year's record of contributions, contributions must be received by December 31, or if mailed, the envelope must reflect a postmark no later than December 31.

8 For More Information

- 8.1 Always seek the counsel of an attorney and a financial professional when considering the options discussed here or others. For additional information from the church, please contact a member of the Endowment or Finance Teams or the Pastor.

Thank You!

Finally, thank you for generously supporting God's Kingdom through your gifts to Community Presbyterian Church. Your gifts will help sustain and grow our many ministries today and in future years.