

# GIFT ACCEPTANCE POLICY & PROCEDURES

## **Christ Lutheran Foundation**

**Lincoln, Nebraska**

### **Biblical Generosity**

Biblical Generosity is simply Christians using their God-given ability, time, and money to live all of life for God's purposes. Financial Biblical Generosity focuses on the stewardship process, proper accounting, and ministry implementation on behalf of God's people who provide the financial resources to carry out the Lord's work.

In the spirit of Biblical Generosity, Christ Lutheran Foundation strongly encourages gifting that will enable Christ Lutheran Foundation to support Christ Lincoln fulfill its long term divine calling to maintain, develop, advance, enhance, and expand the ministry and mission of the congregation.

### **Donor Bill of Rights**

(Adapted from the Council for Advancement and Support of Education, CASE)

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, the way the organization intends to use donated resources, and its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purpose(s) for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relations with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers or employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

### **Financial Gift Acceptance**

This document is designed to provide guidance to facilitate the gift-giving process. The intent is to provide donors with the greatest freedom possible in formulating their gifts.

- Gifts may be accepted only for ministry and programs consistent with the beliefs and mission of the Christ Lutheran Foundation. No gift may limit or restrict the purpose or mission of the Christ Lutheran Foundation.
- Gifts must not inhibit gifts from other donors.
- Gifts must be designed and administered in a manner consistent with legal requirements and state and federal tax regulations.
- Christ Lutheran Foundation cannot accept gifts that involve unlawful discrimination based upon race, gender, age, national origin, disability or other basis prohibited by law and Internal Revenue Service regulations.

Regular offerings and gifts are accepted and administered through the Christ Lincoln church office and their designees (usually the Director of Generosity and Advancement), with final authority to accept offerings and gifts being with the Board of Directors.

Certain categories of donations are not acceptable as charitable gifts to Christ Lutheran Foundation and cannot be deducted as a charitable contribution:

- Funds accepted as payment for tuition or fees.
- Gifts made with the condition that Christ Lutheran Foundation will spend the proceeds for the personal benefit of a named individual or individuals. Christ Lutheran Foundation's various Scholarship programs qualify in that it selects a student on behalf of the donor.

Proposed gifts which may expose Christ Lutheran Foundation or Christ Lincoln to adverse publicity; require undue expenditures; or involve Christ Lutheran Foundation in unexpected responsibilities because of the source, condition or purposes of the gift, will be referred for review to the Director of Generosity and Advancement with final approval required by the Christ Lutheran Foundation Board of Directors. The Director of Generosity and Advancement will oversee the acceptance and disposition of such questionable offerings and gifts and make a recommendation to the Board of Directors for final action.

## **Gift-Giving Possibilities**

### **Outright Gifts**

Outright gifts are those placed at the immediate disposal of Christ Lutheran Foundation in which the donor retains no interest. The most frequent method used is a personal check payable to "Christ Lutheran Foundation." Christ Lutheran Foundation also welcomes cash, gifts made by credit card or direct withdrawal, gifts from corporations, fraternal companies, and foundations, and/or individuals, payroll deductions, gifts of securities, tangible personal property, real estate, collections, and other assets.

### **Fundraising Activities**

Gifts in support of fundraising activities (auctions, dinners, rummage sales, youth events, etc.) are subject to the rules pertinent to the tax deductible portion of the gift if goods or services are provided in exchange to the donor (e.g., the cost of the meal portion of a ticketed event is not a gift nor deductible).

### **Gifts of Stock**

Gifts of closely held securities based on prior independent appraised value, paid for by the donor, and gifts of publicly traded securities will be accepted. However, Christ Lutheran Foundation will not enter into any agreement that legally obligates Christ Lutheran Foundation to sell or otherwise dispose of the securities. That said, normally the Director of Generosity and Advancement informs the Christ Lutheran Foundation's broker of the gift, with instructions to liquidate the items as soon as possible.

### **Gifts of Real Property**

Any gifts of real property and the terms regarding them require approval from the Christ Lutheran Foundation Board of Directors prior to acceptance of the gift.

Christ Lutheran Foundation will not enter into any agreement to sell the property as a condition of receiving the gift of property.

Gifts of real property may first undergo a certified land appraisal and survey, title search, and/or an environmental assessment as required by the Environmental Protection Agency or other relevant regulatory bodies. The donor must pay for the appraisal, survey, title search and environmental audit.

Gifts of real estate are made with the understanding that Christ Lutheran Foundation will ordinarily make its best effort to sell the property promptly (or else Christ Lutheran Foundation may incur non-related business income or may be subjected to property taxes). Christ Lutheran Foundation cannot guarantee that it will sell the property at the donor's appraised value. Christ Lutheran Foundation will not re-appraise or re-assign a value to real property for the donor's valuation purposes.

Donors may contribute property to Christ Lutheran Foundation, reserving the right to use the property for a term of years or life. In such cases, donors are obligated for all expenses related to the property.

### **Gifts of Other Property**

Any gifts of other property and the terms regarding them require approval from the Christ Lutheran Foundation Board of Directors prior to acceptance of the gift.

In the case of vehicles, furniture or other personal property, Christ Lutheran Foundation will accept property with the intent to either use such property within its ministry or donate such property to a deserving person through Christ Lincoln's caregiving programs. While Christ Lutheran Foundation will provide a receipt for the gift and, in some cases, provide the required documentation for the Internal Revenue Service, it is the donor's responsibility to obtain an independent expert appraisal, or to determine the value of the gift.

### **Deferred Gifts**

Deferred or Planned gifts involve a current commitment by a donor to provide future funds to Christ Lutheran Foundation. If the donor intends to endow such gifts, then the donor will be encouraged to enter discussions with the Director of Generosity and Advancement for next steps. These types of gifts generally can provide some combination of income, capital gain, gift or estate tax benefit.

The Director of Generosity and Advancement and the Christ Lutheran Foundation's legal advisors can provide detailed information about the minimum dollar amounts, interest rates, and other details associated with the acceptance of a direct or endowed planned or deferred gift.

Acceptable methods of creating deferred direct or endowed gifts to Christ Lutheran Foundation include:

- Will bequests
- Remainder interests in personal residences or farms
- Gifts of life insurance
- Retirement Accounts (401k, IRA, Keogh, etc.)
- Pension Fund Distributions
- Charitable Gift Annuities
- Pooled Income Funds
- Charitable Remainder Uni-trusts or Annuity Trusts
- Charitable Lead Trusts

### **Designated Bequests**

A designated bequest provided to Christ Lutheran Foundation shall be applied according to the details of the donor's will or trust unless such request conflicts with the beliefs, mission, ministry, or operations of Christ Lutheran Foundation. In the case of conflict, the Director of Generosity and Advancement shall work with the Christ Lutheran Foundation Board of Directors on whether to reject or receive the designated bequest with the stated conditions.

### **Undesignated Bequests**

Undesignated bequests to Christ Lutheran Foundation will be put into unrestricted assets for the long-term support and success of Christ Lincoln.

Acceptance of any gifts and bequests other than cash are subject to approval of the Christ Lutheran Foundation Board of Directors.

### **Recognition**

To respect confidentiality, gifts are only recognized in a private manner unless otherwise arranged with permission of the donor(s). For special programs and campaigns generally, a list of donors or a recognition plaque may be used, again with the donor's permission.

### **Solicitation of Gifts**

(Adapted from Association of Lutheran Development Executives, ALDE, Code of Ethics)

All entities of the Christ Lutheran Foundation, as well as its volunteers who are involved in seeking donations will:

1. Seek to serve Christ faithfully and hold His name as supreme.
2. Work for the best interest of the donor.
3. Strive to model and promote the concept of Christian Stewardship among donors and involved professionals.
4. Portray an accurate and institutional mission in all communications.
5. Maintain confidentiality in handling donor and prospective donor records.
6. Offer public recognition and appreciation for a gift only after donor permission has been granted.
7. Ensure accurate use of designated gifts, optimal management of all solicited funds, and truthful reporting.
8. Comply with all federal, state, municipal laws.
9. Deal charitably, fairly, and honestly with other professionals and organizations.
10. Maintain and encourage high levels of professional competence and accurately present

- professional qualifications and experiences to prospective donors.
11. Not be compensated by fees based on a percentage of charitable funds secured.
  12. Avoid or otherwise disclose all potential conflicts of interest.

### **Legal Disclaimer**

While Christ Lutheran Foundation, and its personnel will strive to maintain a high level of familiarity with current tax laws and policies, these people are unable to give legal and accounting advice to donors. Donors and prospective donors should always confer with their own legal counsel or tax advisors for opinions about tax or other legal consequences of a specific gift.

Various methods of gifting can provide flexibility, security and tax savings to donors. The Director of Generosity and Advancement is available to provide personalized assistance to donors seeking to understand and choose from a wide range of gift-giving possibilities.

Christ Lutheran Foundation may seek the advice of legal counsel in matters pertaining to deferred or planned giving. Planned giving agreements will generally follow the format of specimen agreements approved by legal counsel.