



## **CHRIST UNITED METHODIST CHURCH GIFT ACCEPTANCE POLICY**

### **PURPOSE**

The purpose of this Gift Acceptance Policy is to describe the types of gifts that can be accepted by Christ United Methodist Church (hereinafter referred to as "the Church") and the general conditions and procedures under which they may be accepted.

### **INTRODUCTION**

Unless mandated in this document, by other policies of the Church, or by the United Methodist Church at large, the provisions of this document are intended as guidelines only.

In order to protect the interests of the Church and the persons and other entities who support its programs, these policies are designed to assure that all gifts to the Church are structured to provide maximum benefit to both the Church and the donor.

This document applies to both current and deferred gifts, including various types of deferred gifts and gifts of non-cash property. The goal is to encourage giving to the Church without encumbering the organization with gifts that may prove to generate more cost than benefit, or that are restricted in a manner not in keeping with the mission, guidelines, and goals of the Church.

To optimize funding from individuals and other entities, the Church will respond quickly, and in the affirmative where possible, to all gifts offered by prospective donors. Flexibility must be maintained since some gift situations can be complex, and the decision on whether to accept a particular gift can be made only after a number of interrelated factors are carefully considered.

### **RESPONSIBILITIES**

The Finance Committee (hereinafter referred to as "the Committee") is responsible for receiving and depositing cash gifts. The Committee is also responsible for receiving offers of other types of gifts and for making recommendations to the Administrative Board (hereinafter referred to as "the Board") on whether to accept such gifts.

The Board is instructed by the Charge Conference to receive and distribute gifts received under this Gift Acceptance Policy. The use of undesignated gifts to the Church will be determined by the Board, and the Board may direct that a percentage of all undesignated gifts to the Church be placed automatically in the Endowment.

The Board reserves the right to decline any gift offered to the Church. Reasons for which a gift may be declined include, but are not limited to, the following:

- The Board does not believe it is in the best interest of the Church to abide by the restrictions placed on the gift by the donor.
- The costs to maintain the gift or to meet the restrictions placed on the gift by the donor are considered to be excessive.
- The gift is designated to benefit or to be channeled to a specific individual.

- The gift would result in:
  - a violation of the Book of Discipline,
  - the Church's loss of status as a 501(c)(3) organization,
  - other unacceptable consequences for the Church, or
  - activities that are outside the Church's mission.

## **TERMS AND CONDITIONS**

Any restriction on the use of any gift must be approved by the Board prior to acceptance of the gift.

All gifts will be acknowledged by written confirmation of the gift and of any terms, conditions, or restrictions associated with gift acceptance.

All information concerning donors and prospective donors, including their names, names of beneficiaries, the amount and type of the gift, aspects relating to their estates, etc., will be kept strictly confidential except when donors permit the release of such information.

## **TYPES OF GIFTS AND PROCEDURES TO ACCEPT OR DECLINE**

### **Outright Gifts**

- a. Cash
  - Gifts in the form of cash and checks in any amount will be gratefully accepted.
  - All checks must be payable to "Christ United Methodist Church" and must not be made payable to an employee, agent, or volunteer for credit to the Church.
  - The memo line on checks or other cash instruments may be used to specify any particular purpose for which the gift is intended.
- b. Publicly Traded Securities
  - Securities that are traded on the exchanges will be gratefully accepted.
  - Securities are to be liquidated upon receipt.
- c. Closely Held Securities:
  - Non-publicly traded securities may be accepted upon approval by the Board.
  - The Board must make the decision whether to keep or sell the security.
- d. Real Property
  - Prior to the Board making a decision regarding acceptance, the Committee must make a recommendation to the Board, which may include, but is not limited to, review and consideration of the following information:
    - current title and ownership,
    - title insurance,
    - current zoning,
    - home owners' association and/or other association(s),
    - any and all restrictions,
    - mortgage(s) and any encumbrances, including an affidavit of lien signed by the donor,
    - an independent qualified third-party appraisal,
    - a Phase I environmental audit, and
    - a recommendation on marketability.
  - After considering the recommendation from the Committee, the Board must make the final decision whether to accept the offered property and, if it is accepted, whether to keep or sell it.
- e. Tangible Personal Property:
  - Prior to the Board making a decision regarding acceptance, the Committee must make a recommendation to the Board, which may include, but is not

limited to, review and consideration of the following information:

- current title and ownership,
- an independent qualified third-party appraisal, and
- a recommendation on marketability.
- After considering the recommendation from the Committee, the Board must make the final decision whether to accept the offered property and, if it is accepted, whether to keep or sell it.

f. Other Property:

- Prior to the Board making a decision regarding acceptance, the Committee must make a recommendation to the Board, which is to include any relevant information available regarding the proposed gift.
- After considering the recommendation from the Committee, the Board must make the final decision whether to accept the offered property and, if it is accepted, whether to keep or sell it.

## **Planned (Deferred) Gifts**

a. Bequests

- Monetary gifts in any amount through wills and trusts (bequests) will be gratefully accepted by the Church.
- Upon inquiry by a prospective donor, all representations as to the future acceptability of various properties to be left to the Church in a will or other deferred gift must be made in accordance with the terms and provisions of this Gift Acceptance Policy.

b. Revocable Living Trusts and Charitable Trusts

- The Board recommends as fiduciary the Mid-Atlantic Faith Foundation.
- The fees for management of a Revocable Living Trust will not be paid by the Church.
- Revocable Living Trusts, Charitable Remainder Trusts, and all other deferred gifts are to be encouraged as a method of making gifts to the Church in such a way that the donor retains income that may be needed by the donor for personal purposes.
- Representations as to the manner in which trust assets will be managed or invested must not be made by any employee or other persons acting on behalf of the Church.

c. Life Insurance Policies

- The Church encourages donors to name the Church as the beneficiary, co-beneficiary, or contingent beneficiary of life insurance policies and retirement savings plans.
- The Church will not accept gifts from donors for the purpose of purchasing life insurance on the donor's life. Exceptions to this policy may be made only when the Church has an insurable interest and is in compliance with all State and Federal statutes.
- No insurance products will be endorsed for use in funding gifts to the Church.
- Lists of Church donors' names must not be furnished to anyone for the purpose of marketing life insurance for the benefit of donors and/or the Church.

d. Gift Annuities: The Church will gratefully accept being named as beneficiary of charitable gift annuities purchased from the Mid-Atlantic Faith Foundation or other financial institutions.

## **PAYMENT OF FEES RELATED TO GIFTS TO THE CHURCH**

**Finder's Fees or Commissions:** No fees are to be paid to anyone as consideration for directing a gift to the Church.

### **Professional Fees**

- In general, donors are responsible for paying any fees associated with their gifts.

- No fees are to be paid to anyone as compensation for any sale of any products to the donor.

## **RECOMMENDATION TO PROSPECTIVE DONORS**

The Church recommends that all prospective donors seek the counsel of legal, financial, and tax advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

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