

Gift Acceptance Policy

1. General Guidelines for Gifts

The Unitarian Universalists of Southern Delaware (UUSD, the Congregation) solicits and accepts gifts consistent with its mission and that support its programs, activities, and special projects.

- 1) Gifts will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, subject to such guidelines and considerations as may be determined by the Board of Trustees (the Board), including, but not limited to:
 - a) Congruence with UUSD's values, mission, and goals.
 - b) Acceptance would not violate UUSD's articles of incorporation, or applicable local, state, or federal laws.
 - c) Consequences of acceptance that might jeopardize UUSD's tax-exempt status, reputation, or adversely impact future giving.
 - d) Proof of ownership or condition, marketability, use restrictions, or financial liabilities of acceptance.
 - e) Compatibility between the intent of the donor and UUSD's use of the gift.
 - f) The feasibility of administration and/or conversion of the gift.
 - g) UUSD reserves the right to evaluate any and all gifts and consider their impact on UUSD. All decisions to solicit and/or accept potentially controversial gifts will be made by the Board in consultation with other leadership as deemed appropriate.
- 2) UUSD will accept gifts of a variety of types as detailed below. Any type not addressed in this Policy will require special consideration.
- 3) Certain types of gifts must be reviewed by UUSD's Board of Trustees prior to acceptance due to the special liabilities they may pose for UUSD. The Board may consult with legal or financial counsel, as necessary.
- 4) UUSD urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to UUSD for the benefit of any of its operations, programs, or services.

2. Definitions

- 1) Gift: Any kind of donation presented to UUSD. Types of gifts are detailed below.
- 2) Campaign: An organized and UUSD-sanctioned activity to collect gifts to achieve a specific UUSD goal (e.g., property acquisition, capital project, program expansion, or annual pledge).
- 3) Cash: Monies received via cash, check, credit card, ACH, etc.
- 4) Collection: The activity, conducted in conjunction with worship or other church group activity, of soliciting and receiving cash donations from participants.

- 5) Gift Date: The date of the gift was acknowledged as having been received by UUSD; this is unrelated to a date for the purposes of the donor's deduction (a donor should consult their tax advisor).
- 6) Gift Valuation: UUSD shall follow accepted guidelines for income recognition and the valuation of gifts such as stock, real estate, personal property, and life insurance that require specific methods of valuation for the protection of both the donor and UUSD. In general, valuation of non-cash gifts for tax purposes is the responsibility of the donor.
- 7) Pledge: The cash amount a UUSD member or friend may commit to contribute to the church, typically for the Operating budget for a given fiscal year. Special capital pledge campaigns can occur if designated.

3. Restricted and Unrestricted Gifts

- 1) Gifts can be either restricted or unrestricted as to their designated or intended purpose.
- 2) Unrestricted Gifts: These are gifts that are made without limiting their use, as determined by UUSD Leadership. UUSD encourages donors to make unrestricted gifts to the Congregation. UUSD prefers unrestricted gifts because these provide UUSD the greatest flexibility to direct resources where they are most needed at any particular time.
- 3) Restricted Gifts: UUSD will accept gifts restricted as to the purpose for which they can be used when they are specified in a special campaign. Examples of purpose-restricted gifts include gifts of cash or gift cards for the Minister's Discretionary Fund, special collections such as Share the Plate, and specific capital campaigns.

4. Types of Gifts

- 1) Cash: Cash is acceptable in any form. Checks shall be made payable to "UUSD." Gifts may also be made online via credit card at www.uusd.org or by text messaging and mobile app.
- 2) Securities: Gifts of securities are acceptable and must be reviewed prior to acceptance to determine that:
 - There are no restrictions on the security that would prevent UUSD from ultimately converting those assets to cash.
 - The security will not generate any undesirable tax or other financial consequences for the Congregation or involve tax or other financial planning in which UUSD would not wish to participate.
- a) Marketable securities may be transferred to the Congregation's brokerage account. Contact the UUSD Finance Officer for specific instructions. All marketable securities will be sold upon confirmation of receipt in UUSD's brokerage account.

- b) Securities for which there is no active market can be accepted subject to the approval of the Board. Further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift.
 - c) UUSD will send the donor a statement of the net proceeds received from the sale of the securities.
- 3) Real Property: Gifts of real property may include developed property, undeveloped property, or gifts subject to a prior life interest.
- a) Real property gifts must be reviewed prior to acceptance and such process may include the following at the donor's expense:
 - i. An assessment of the property's potential usefulness to UUSD.
 - ii. A market assessment of the property's value.
 - iii. A title search and review to confirm the title is clear and/or to identify potential restrictions, liens, easements, covenants, encumbrances, or other limitations. When appropriate, a title binder shall be obtained by UUSD prior to the acceptance of the real property gift.
 - iv. A financial assessment to determine carrying costs such as mortgage, insurance, property taxes, maintenance expenses, etc.
 - v. An initial environmental review to ensure the property has no environmental damage requiring mitigation. Should an issue be revealed, UUSD might retain a qualified inspection firm to conduct an environmental audit.
 - b) UUSD will provide acknowledgement of the gift date only; valuation of the gift is the responsibility of the donor.
- 4) Gifts of Tangible Property: Tangible property includes any donation, other than land or buildings, that can be seen or touched, such as furniture, books, jewelry, paintings, and cars.
- a) If the intent of a gift (or directed use of a cash gift for a specific purchase) is for its continued use or display within the UUSD facility or grounds, the Board will consult with the Property Management Committee on the acceptance and management of the gift.
 - b) All other gifts of tangible personal property not to be used or displayed within the UUSD facility or grounds shall be examined in light of the criteria in the *General Guidelines* above. The final determination on the acceptance of such tangible property gifts shall be made by The Board. Unless otherwise agreed with the donor, the property will be sold as soon as practicable.
 - c) UUSD will provide acknowledgement of the gift date only; valuation of the gift is the responsibility of the donor.
- 5) Legacy Gifts: These include bequests and beneficiary designations under such instruments as Revocable Trusts, Life Insurance Policies, Commercial Annuities, and Retirement Plans. UUSD encourages donors to make bequests to UUSD under their wills and to name UUSD as the

beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans.

- a) Charitable gift annuities (CGA): UUSD encourages its supporters to consider charitable gift annuities during their lifetimes. Donors interested in planned gifts should contact the Finance Officer for guidance.
 - b) Other planned gifts: The acceptance of other planned gift instruments, such as Pooled Income Trusts, Charitable Remainder Trusts, and Charitable Lead Trusts are subject to the approval of the Board. Donors interested in making such gifts should contact the Finance Officer.
 - c) Bequests: Donors and supporters of UUSD are encouraged to make bequests under their wills and trusts. Such bequests will not be recorded as gifts to the Congregation until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
 - d) Life Insurance Beneficiary Designations: Donors and supporters of UUSD are encouraged to name the Congregation as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
 - e) Life Insurance Assignment: UUSD must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, UUSD will include the entire amount of the additional premium payment as a gift in the year that it is made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, UUSD may continue to pay the premiums, convert the policy to paid-up insurance, or surrender the policy for its current cash value.
- 6) Campaign Gifts: UUSD may accept written promises from donors to pay money or donate other assets through the annual Pledge Campaign to obtain member pledges in support of the annual operating budget, or for a special campaign, such as for specific capital improvements, property acquisition, etc. Pledges and other monetary gifts are tracked and reported through a member database and statements are generated for the donor quarterly. Pledge revenue is recorded when received in accordance with Generally Accepted Accounting Principles.
- 7) Gifts Acquired Through Collections or Fundraising Events: UUSD acquires gifts through scheduled and planned collections, including:
- a) General Collections: Normally one every Sunday with proceeds going toward supporting the general operating fund of UUSD.
 - b) Minister's Discretionary Fund Collections: Normally one each year to provide the minister with funds to be used to assist members and friends in need.

- c) Share the Plate Collections: On a monthly basis, a special collection is announced for the benefit of a specific outside organization or cause, following a procedure approved by the Board.
- d) Special Collections: These collections can be made to benefit targeted, non-UUSD, programs or activities based on current needs, such as disasters, tragedies, and social/economic/environmental justice causes. Those supported by the UUA and UUSC will be encouraged and must be sponsored by a committee or the minister.
- e) Fundraising Events: Profits will be credited to the general Operating Fund or funds UUSD sets aside for specific purposes, as determined by the Board (see also Campaign Gifts, above). Only the Board may authorize special collections or fundraising events to directly benefit a specific UUSD committee or group (for example, fundraising for Children’s Religious Education-Special Collections).

Any request for collection of funds or fundraising event must be reviewed by the Finance Officer prior to being presented to the Board for approval. The Board must approve the collection or fundraising event prior to announcing the collection of any funds. The initial accounting for income and expenses related to special collections or fundraising events are the responsibility of the Board designated sponsor.

- 8) Other Gifts: Other more complicated and esoteric gifts may be accepted by UUSD subject to review and approval of the Board of Trustees in accordance with the *General Guidelines* above. These types of gifts may include remainder interests in property; oil, gas, and mineral interests; or bargain sales of securities, real estate, etc. Consideration will be given to the time and costs involved in assessing and structuring the gift before accepting it.

5. Accountability and Responsibility

UUSD and its governance will exercise prudent judgement in its stewardship responsibilities by following these guidelines:

- 1) Gifts will be used for the purposes for which they were given.
- 2) Gifts will be acknowledged within the required, or otherwise reasonable, period of time.
- 3) Gifts to UUSD and accompanying correspondence will be considered confidential information, except for the publication of donor recognition lists. All donor requests for confidentiality will be honored except as may be required by law.
- 4) Donors’ personal identity information (PII) will be handled with respect and with confidentiality to the extent provided by law and will not be shared, sold, or given by UUSD to other organizations.

6. Conflict of Interest

Those individuals who normally engage in the solicitation of gifts on behalf of UUSD shall not personally benefit by way of commission, contract fees, salary, or other benefits from any donor in the performance of their duties on behalf of UUSD, nor should any benefit be received by a family member or business of the solicitor. The active participation of the minister and UUSD staff in stewardship activities is not considered a conflict of interest.

—Approved by the Finance Committee on June 14, 2021, and adopted by the UUSD Board or Trustees on July 21, 2021

Note: This policy incorporates the content of these former policies:

Appendix 6A: Accepting Financial Contributions policy adopted in 2007

Appendix 6C: Church Fundraising and Special Collections originally adopted 11/15/2016 and amended 8/17/2020

Property Management Committee policy on tangible gifts to the church building and grounds