

# CONGREGATIONAL GIFT POLICY

## ST. MARKS LUTHERAN CHURCH

10 N Liberty St, Asheville, NC 28801

Approved date

### Purpose

To give a written process to all constituents of our congregation that outlines what types of property are acceptable as gifts above and beyond pledges or loose offerings toward the operating budget, and how decisions are made for their use.

This policy will answer 2 core questions:

1. How can I provide a gift to the congregation?
2. How will the congregation use my gift?

### Elements of a Gift Policy

1. Gift Acceptance
  - a. Defines *who* will decide if gift is *accepted*
  - b. Defines *what* gifts will be *considered*
2. Gift Use
  - a. Defines *who* will decide how gifts are used
  - b. Outlines process and guidelines to determine *how* gifts are used
3. Ways to Make a Gift
  - a. Cash or check
  - b. Asset transfer
  - c. Beneficiary designation
  - d. Deferred gifts
  - e. Bargain sale

### Gift Policy

1. When an asset is **offered** to our congregation through an estate, or from a living individual, family, or other legal entity that is above and beyond a regular pledge or loose offering toward the operating budget, the Executive Committee of Church Council will determine if the gift is **accepted**.
2. Our congregation is willing to **consider** the following types of assets:
  - a. Cash
  - b. Publicly traded securities
    - i. Stocks
    - ii. Bonds
    - iii. Mutual funds
    - iv. Options/warrants
    - v. Other marketable securities traded on public exchanges
  - c. Life insurance (assignment of ownership) – permanent type with cash value
  - d. Real property
    - i. Residential
    - ii. Commercial
    - iii. Life estate
  - e. Tangible personal property
    - i. Vehicles
    - ii. Books

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- f. Other property
  - i. Royalties
  - ii. Copyrights
  - iii. Patents
  - iv. Trademarks
  - v. Bargain sales: congregation purchases an asset for less than fair market value
3. If our congregation decides to decline the gift, the donor or donor's estate will be contacted by written notice, via US Mail and by verbal notice from the Church Council President or Pastor.
4. If the gift is unrestricted, valued at \$1000 or more, our congregation will make an automatic 10% tithe from the proceeds, before any other allocations are made. Church Council establishes a list of beneficiaries to receive the tithe, and may update the list at its discretion.
5. If the gift is unrestricted, valued at \$1000 or more, the following distributions will be made with the remaining 90% after the tithe:
  - i. 10% to the Building Fund
  - ii. 40% to the Current Ministry Fund
  - iii. 40% to the St. Mark's Endowment Fund
6. If an unrestricted gift, valued at \$100,000 or more is received, the Congregation Council may call a Congregational meeting within 60 days to present a recommendation that deviates from 10%-10%-40%-40% rule.
7. Regardless of amount, unrestricted donations given in memory of a single individual or family, after six months from the date of the funeral or memorial service, will be treated as a single unrestricted gift (apply #4 and #5). When family members of the deceased express a desire to designate memorial gifts a list of Council approved potential designations will be presented. The family will have the option of adding contributions to fully fund a requested designation.
8. If the gift is restricted, but the funds are unable to be used due to the lack of program or need, as determined by Church Council, the gift will become unrestricted after 12 months. The gift will then begin the unrestricted gifts process, as outlined in this document, to the determine the use.
9. This Congregational Gift Policy will be reviewed every year by March 1.

### **Ways to Make a Gift**

1. Cash, check, or money order
2. Beneficiary designations – primary or secondary/contingent
  - a. Retirement accounts

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- i. IRA
    - ii. 401(k)
    - iii. 403(b)
    - iv. Annuity
  - b. Individual or joint bank/brokerage accounts
    - i. Transfer on death
    - ii. Payable on death
  - c. Life insurance
  - d. Distribution from donor advised fund or named endowment
  - e. Living trust
  - f. Will
  - g. Real estate
    - i. Transfer of deed on death
- 3. Asset transfer
  - a. Transfer securities from your brokerage account directly to our congregation's brokerage account, or use the ELCA Foundation to facilitate the transfer.
  - b. Transfer a title or deed to our congregation.
  - c. Assign ownership of life insurance to our congregation, or ELCA Foundation, FBO (for benefit of) our congregation.
- 4. Deferred gifts
  - a. Charitable gift annuity
  - b. Charitable remainder trust
  - c. Donor advised fund
  - d. Named endowment
  - e. Life estate
- 5. Bargain sale
  - a. Sell an asset to our congregation below fair market value.

### **Resource**

ELCA Foundation: 800-638-3522 [elca.org/foundation](http://elca.org/foundation)