

CONGREGATIONAL GIFT POLICY
UNITED in FAITH LUTHERAN CHURCH
6525 W. Irving Park Rd, Chicago, IL 60634
6/19/2018

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 plate offerings, and how decisions are made for its 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 Acceptance

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/plate offering, the Executive Committee will determine if the gift is **accepted**.
2. Our congregation is willing to **consider** the following types of assets:
 - a. Cash
 - b. Securities
 - c. Publicly traded securities
 - i. Stocks
 - ii. Bonds
 - iii. Mutual funds
 - iv. Options/warrants
 - v. Other marketable securities traded on public exchanges
 - d. Non-publicly traded securities
 - i. REITS
 - ii. MLPs
 - iii. Closely held business interests
 1. Partnership units
 2. Limited liability companies
 3. S-Corp shares
 4. C-Corp shares
 5. Options/warrants

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- e. Life insurance (assignment of ownership) – permanent type with cash value
 - f. Real property
 - i. Residential (including Cemetery Plots)
 - ii. Commercial
 - iii. Life estate
 - g. Tangible personal property
 - i. Vehicles
 - ii. Jewelry
 - iii. Books
 - iv. Art
 - v. Collections
 - h. Other property
 - i. Mineral rights
 - ii. Royalties
 - iii. Notes/mortgages
 - iv. Copyrights
 - v. Patents
 - vi. Trademarks
 - vii. Oil and gas interests
 - viii. 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, as well as by verbal notice. The pastor will contact the donor.

Gift Use

- 1. If our congregation accepts an unrestricted gift, which is defined as an asset that a donor has given to our congregation without any limitation of its use, the Executive Committee will determine how it will be used.
- 2. If the gift is unrestricted, a percentage will be deposited in the congregation's endowment fund per the church's constitution.
- 3. If the gift is restricted, but the funds are unable to be used due to the lack of program or need, as determined by the pastor, the gift will become unrestricted after 24 months. The gift will then begin the unrestricted gifts process, as outlined in this document, to determine the use.
- 4. This Congregational Gift Policy will be reviewed every four years. The next policy review date is June of 2022.

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 (sell an asset to our congregation below fair market value)

Are you considering a special gift or an estate gift to your congregation? If so, we have resources available through the services of the ELCA Foundation. These gift planning services are available at no charge to you as a member of our congregation. The Charitable Gift Planner assists with establishing a comprehensive estate plan that provides for your family and the ministries you care about. In addition, the Gift Planner assists with current gifts to our congregation as described in this policy.

Contact our pastor, a member of Church Council, or visit elca.org/foundation to connect with our Regional Gift Planner.

Resource

ELCA Foundation: 800-638-3522