

# Presbytery of the Miami Valley Gift Acceptance Policy A-13

## **I. INTRODUCTION**

Presbytery of the Miami Valley (“PMV”) accepts gifts, memorials and grants for purposes that will help further and fulfill its mission – to prepare, equip, nurture, and connect congregations in their ministries for God’s mission.

## **II. PURPOSE**

The purpose of the Gift Acceptance Policy is to establish terms for the acceptance of gifts by PMV and to provide guidance to prospective donors and their advisors when making gifts to PMV. The provisions of this policy shall apply to all gifts received by PMV. This policy will also serve as a guideline to PMV staff and volunteers involved with accepting gifts and outside consultants and advisors who assist in the gift planning process. This policy allows for limited flexibility on a case-by-case basis. This policy will be reviewed at least biennially by the Trustees to ensure that it adequately reflects the current needs of PMV.

## **III. DONORS’ USE OF PROFESSIONAL ADVISORS**

The Presbytery of the Miami Valley urges all donors and prospective donors to seek the assistance and advice of independent personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

## **IV. PMV’s USE OF PROFESSIONAL ADVISORS**

PMV may seek the advice of advisors in matters relating to acceptance of gifts when appropriate. If, ultimately, the subject gift is accepted by PMV, the costs associated with the PMV advisor will be charged against the accepted gift.

## **V. GIFT ACCEPTANCE REVIEW PROCESS**


From time to time, review and determination must be made as to acceptance of gifts made under the policy. Determinations as to acceptance of routine small cash gifts may be made by the Executive Presbyter (“EP”). In cases where further review and determination is needed under this policy, the EP will work in consultation with the Trustees and Treasurer to make a final determination.

Presbytery of the Miami Valley will not accept gifts that:

- would result in the violation of corporate charters or bylaws;
- would result in PMV losing its status as a not-for-profit organization;
- are too difficult (due to donor restrictions) or too expensive to administer in relation to their value;
- would result in any unacceptable consequences for PMV;
- are for purposes outside PMV’s mission; or
- are deemed to be overly restrictive (see below “Restricted Gifts”).

## **VI. GIFTS GENERALLY ACCEPTED WITHOUT REVIEW**

The following gifts to PMV are generally accepted without review:



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Cash: Cash gifts are acceptable in any form, including by check, money order, credit card, or online.

Marketable Securities: Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by the Trustees after consultation with investment advisors. In some cases, marketable securities may be restricted, for example by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Trustees.

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans: Donors are encouraged to make bequests to PMV in their wills, and to name the Presbytery as the beneficiary under trusts, life insurance policies, commercial annuities, and retirement plans.

Charitable Remainder Trusts: The Organization will accept designation as a remainder beneficiary of charitable remainder trusts.

Charitable Lead Trusts: The Organization will accept designation as an income beneficiary of charitable lead trusts.

## **VII. GIFTS SUBJECT TO REVIEW BEFORE ACCEPTANCE**


Certain forms of gifts or donated properties may be subject to review prior to acceptance.

Examples of gifts subject to prior review include, but are not limited to:

### Closely-Held Securities:

Closely-held securities include debt and equity issues of C and S corporations as well as of limited liability companies and limited partnerships. Such gifts must be reviewed for valuation and marketability prior to acceptance. Evaluation criteria used will include if there is a readily available market for security disposition, acceptance of such securities will not create any potential liability to the organization, and the closely held entity does not engage in activities that would be inconsistent with PMV's objectives. Even then, the Executive Presbyter and the Trustees may still decline the gift due to the uncertainties of marketability.

All Named and/or Donor Restricted Funds: PMV encourages donations to be unrestricted and unnamed. If, however, the donor wishes to have a named or restricted fund, the donor will be informed that a separate account will be established within the PMV accounting system, but the funds will be invested with all other PMV invested funds and subjected to the risks of the market. The "named" fund will be subject to the annual percentage draw established in the investment policy statement (IPS). The recommended minimum initial value of a named fund is \$50,000. Exceptions may be considered by the Trustees. If donor has other desires, the



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Trustees can consider recommending a true endowment be established with the Presbyterian Foundation (or other similar entity) which can direct the income to be sent to the PMV.

Tangible Personal Property: The Trustees shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further PMV's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which PMV may be responsible? Is the title/provenance of the property clear?

Life Insurance: PMV will accept gifts of life insurance where PMV is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.


PMV will not agree to accept gifts from donors for the purpose of purchasing life insurance on the donor's life. In addition, no insurance products may be endorsed for use in funding gifts to PMV. In no event shall lists of PMV's donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donor or PMV. This policy is based on the fact that this practice represents a potential conflict of interest, may cause donor relations problems, and may subject PMV to state insurance regulation should the activity be construed as involvement in the marketing of life insurance.

Other Property:

Other property of any description including mortgages, notes, copyrights, royalties, easements, whether real or personal, shall only be accepted by further action of the Trustees or persons duly acting on its behalf.

Real Estate:

- All gifts of real estate are subject to review by the Trustees before acceptance. Real estate gifts will be accepted based upon projected financial benefit to PMV to include projected sales price, anticipated time to sell the property, financial encumbrances, and any impairment associated with the property.
- The donor is responsible for obtaining an appraisal of the property. The cost of the appraisal is borne by the donor.
- Prior to presentation to the Trustees, a member of PMV must conduct a visual inspection of the property. A qualified real estate broker may be substituted for a member of the staff in conducting the visual inspection.
- Due to the time and expense associated with gifts of real estate, only gifts with an estimated value in excess of \$100,000 will be accepted. Exceptions may be considered by the Trustees.
- Prior to presentation to the Trustees, the donor must provide the following documents:
  - Property deed
  - Property tax bill
  - Property title report
  - Property ALTA survey



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- Site plans or any other development studies prepared on the property
- Any existing leases or agreements encumbering the property, including listing agreements with real estate brokers
- Current property zoning
- Phase I Environmental Assessment conducted by a qualified environmental consultant
- Property appraisal

## **VIII. RESTRICTED GIFTS**

PMV will not accept gifts deemed as overly restrictive. Overly restrictive gifts include, but are not limited to, gifts that are inconsistent with PMV's mission, gifts that place undue burdens on PMV, as well as gifts that violate the terms of any of PMV's formation or governance documents.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Trustees in consultation with the Executive Presbyter.

## **IX. REPORTING**

Each gift considered under this policy, whether accepted or not, will be reported to the Leadership Council at its next regularly scheduled meeting.

## **X. TIME LIMITATIONS**

The Trustees should consider the long-term consequences of proposed donor restrictions, particularly as the gift relates to the mission of PMV. Time limits may be placed on the restricted gift after which time any unused money in the restricted account will become available fund specified by Trustees.