

GIFT ACCEPTANCE AND MANAGEMENT

The Lead Minister serves as the Executive under policy governance. All references to any action by the Legacy Circle Committee may be assumed to be undertaken after full discussion with, and agreement by, the Executive.

Introduction

The Unitarian Universalist Congregation of Asheville (UUCA) welcomes expressions of interest and financial support, regardless of amount, that will help it further fulfill its mission. A planned gift is a method of supporting UUCA that enables our congregants to make larger gifts than they could make from their income. By contrast, other gifts beyond one's annual financial commitment are typically made from a donor's discretionary income. Typically there are three types of planned gifts:

1. Gifts payable upon the donor's death (often referred to as "bequests")
2. Outright gifts that use appreciated assets as a substitute for cash and accelerate one's intended bequest.
3. Gifts that return income or other financial benefits to the donor (such as gift annuities offered through the UUA).

Planned gifts as defined above are desired and may be accepted, and are subject to all policies that may be applicable. Planned gifts are sought and accepted only for programs and purposes that are approved by the Executive and are consistent with the mission of UUCA.

Responsibility to Donors

UUCA, its staff and volunteer representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in a donor-centered way. This includes the following features:

Confidentiality: Information concerning all transactions between a donor and UUCA shall be held by UUCA in confidence, and may be disclosed only with the permission of the donor or the donor's designee.

Anonymity: UUCA shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor's identity.

Responsibility: It is intended that UUCA will faithfully follow reasonable restrictions placed on any gift by the donor.

Legal Considerations

Compliance

UUCA shall comply with all local, state and federal laws and regulations concerning all charitable gifts it encourages, solicits or accepts. All required disclosures and procedures shall be made and/or followed in a thorough and timely manner.

Report and Valuation Standards

IRS regulations current at the time of the gift shall be followed.

Endorsement of Providers

UUCA shall not endorse legal, tax or financial advisors to prospective donors.

Legal, Tax and Financial Advice

UUCA shall inform prospective donors that it does not provide legal, tax or financial advice, and shall encourage prospective donors to discuss all charitable gift planning decisions with their own advisors before entering into any commitments to make gifts to UUCA.

Payment of Fees

It will be the responsibility of the donor to secure an appraisal (when required by IRS regulations) and to pay for their own advice from independent legal, financial or other professional advisers as needed.

Use of Counsel

When appropriate, UUCA shall seek the advice of legal counsel in matters relating to the acceptance of gifts. Review by counsel is recommended for gifts involving: contracts, such as bargain sales; formation of charitable trusts; and transactions involving potential conflicts of interest.

Planned Gift Acceptance Procedures

Planned gift acceptance, as outlined in these policies, is delegated to the Executive, who is authorized to accept all gifts permitted by this policy. The Executive shall notify the Board and the Legacy Circle Committee of the receipt of all planned gifts.

Approval of Exceptions

Prior to accepting planned gifts outside the scope of this policy, the Executive shall consult with the Legacy Circle Committee. Should the recommendation be to accept the planned gift, the Executive shall report it as an exception to the policy to the Board at its next regular meeting. The Executive will not accept gifts that:

- Are for purposes outside UUCA's mission;
- Are too restrictive in purpose;

- Are too difficult to administer;
- Require infractions of the law, including discrimination based on race, color, sex, sexual preference, creed, ethnic or national identity, handicap, or age; or
- Restrict the acceptance of gifts from other donors.

UUCA generally uses commitment forms and/or a simple exchange of letters to document gift commitments. These commitments are non-binding on the part of the donor. See Attachment A—UUCA Legacy Intention Form.

UUCA will not participate in planned gift discussions if there is a question as to the title/ownership of the asset or the donor's competency to transfer an asset.

Planned gifts will be acknowledged and administered per the attached guidelines (see Attachment B—Planned Gift Processing Procedures and Attachment C—Sample Acknowledgement Letter from Lead Minister).

The Executive shall have the authority to sign planned giving agreements on behalf of UUCA, unless the Executive delegates such authority. Any intended planned gift that does not meet the requirements of the current guidelines requires Executive approval. Prior to approval, the Executive shall consult with the Legacy Circle Committee and the Board.

No person representing UUCA in planned giving shall knowingly serve as trustee, conservator or executor for a donor or prospect without full disclosure to, and authorization by, the Executive, who may consult with the Legacy Circle Committee.

Policies Pertaining to Certain Types of Planned Gifts

Gifts to UUCA will be receipted for current income tax purposes (if applicable) as dictated by the rules and regulations of the Internal Revenue Service. Planned Gifts intended or realized shall be reported in UUCA's printed materials by the Legacy Circle Committee and consistent with the wishes of the donor (see Attachment B—Planned Gift Processing Procedures).

The Executive may recognize donors' generosity with named or commemorative gift opportunities, per the Naming of Congregational Entities Policy.

Gifts shall be valued (for receipting purposes) on the date the donor(s) relinquished control of the assets in favor of UUCA.

Non-Cash Gifts

In cases where gifts are made with assets other than cash, the following guidelines will be observed:

Bequests

Bequests are planned gifts that will be received in the future pursuant to wills, trusts, retirement plans, life insurance and other beneficiary designation. Bequests are subject to all of the policies articulated herein regarding current gifts of a similar nature. Donors of bequests will be recognized as members of UUCA's Legacy Circle.

Publicly-Traded Securities

It is UUCA's usual policy to sell publicly-traded securities when received and utilize the sale proceeds according to the wishes of the donor and as approved by the Executive. Gifts of publicly-traded securities will be receipted at the average of the high and low market value on the date the donor relinquished control of the assets in favor of UUCA.

Closely-Held Stock

Gifts of closely-held stock are generally not accepted.

Real Estate

Outright gifts of real estate will be receipted, reported and/or recognized at the appraised value (less any encumbrances) at the time the asset is transferred to UUCA. The following conditions must be met:

- a. The fair market value of the property shall be determined by an independent, qualified appraiser retained by the donor within three months of the date of transfer, or whatever time span is the then-approved IRS standard.
- b. Prior to acceptance, at least one member of the Board, one member of the staff and one member of the Legacy Circle Committee must conduct a visual inspection of the property and report to the Executive and the Legacy Circle Committee.
- c. Factors to be considered in accepting gifts of real estate include the location, condition and marketability of the property; its value (including mortgage debt) in relation to anticipated costs; potential liabilities arising from ownership; estimated income, expenses and cash flow; management resources required; and the effect of the property's use or image on UUCA. Such factors shall also be considered in deciding whether to hold or sell the property. Unless the real estate can be used by UUCA to fulfill its mission, UUCA will seek to liquidate such property upon transfer of its ownership to UUCA.
- d. UUCA will generally not accept real estate if such gifts are to be made on condition, understanding, or expectation that the property will be loaned to the donor for life or for an extended period of time (i.e. life tenancy).
- e. In the view of the potential liability for environmental cleanup and toxic and hazardous waste issues, any proposed real estate gift may be subjected to an environmental audit of the property by a professional consultant and submitted to UUCA Executive who will consult with the Legacy Circle Committee for review and recommendation. The environmental audit (if applicable) shall be performed in accordance with the generally accepted commercial standards of due diligence. UUCA must have control over the

conduct and preparation of the audit, even though it shall be the responsibility of the donor to pay for its cost.

- f. Prior to approval, UUCA must obtain a current real estate tax statement, a plat, map or survey of the property, appropriate evidence of title, substantiation of zoning status, and any pertinent documentation or information requested by the Executive.

Tangible Personal Property

Gifts of real and personal property (jewelry, paintings, antiques, rare books, etc.) will be valued according to IRS regulations current at the time of the gift. Unless the personal property can be used by UUCA to fulfill its mission, UUCA will seek to liquidate such property upon transfer of its ownership to UUCA. Generally, UUCA's acceptance of such gifts cannot involve significant additional expense for their present or future use, display, maintenance or administration.

UUCA will not accept gifts of tangible personal property if such gifts are to be made on condition, understanding, or expectation that the gifted items will be loaned to the donor for life or for an extended period of time.

Life Insurance.

UUCA must be named as both beneficiary and irrevocable owner of an insurance policy.

The gift is valued at its cash surrender value on the date of transfer to UUCA and will be receipted according to current IRS regulations. If the donor contributes future premium payments, UUCA 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 policy, UUCA may: (1) continue to pay the premiums, (2) convert the policy to paid up insurance, or (3) surrender the policy for its current cash value.

Cryptocurrency

UUCA will not accept any cryptocurrency, such as bitcoin, as part of any planned gift. The donor may cash in the cryptocurrency and donate the equivalent in US currency or check.

Other Property

Property not otherwise described in this section, whether real or personal, (including but not limited to mortgages, notes, contract rights, copyrights, patents, trademarks, mineral rights, oil and gas interests and royalties) may be accepted by the Executive only after consulting with the Legacy Circle Committee and the Board.

General Policies Pertaining to Designation of Planned Gifts

Ideally, planned gift donors should specify their wishes in writing, preferably via a Legacy Intention Form (see Attachment A—Legacy Intention Form).

Planned gifts may be specified as follows:

Restricted Endowment: Donor-restricted endowments must be placed into UUCA's Endowment Fund, whose principal is held in perpetuity.

Unrestricted Endowment: Per UUCA bylaw Article XI, all gifts to endowment unrestricted by the donor(s) must be placed into the Fund for the Future, except that up to 25% of new unrestricted gifts or bequests shall be used to replenish the UUCA Contingency Fund. According to the Board's Governance Document, Executive Limitation F, upon recommendation of the UUCA Executive and approval of the Board of Trustees, the principal of the Fund for the Future can be used only to meet special capital or building needs, to create new ministries or to avoid risk of foreclosure.

Restricted Purposes (operating). Donors wishing to give to restricted purposes (building, program or other purposes) are encouraged to describe the intended purpose as broadly as possible, to avoid detailed limitations and restrictions, and to provide a clause granting UUCA maximum flexibility to make use of designated funds in a manner most consistent with intent of the donor and with the interests of UUCA.

Conversations in advance with the Ministers or members of the Legacy Circle Committee are encouraged.

Receipts

An acknowledgment letter shall be provided by the Executive or his/her designee to all planned gift donors, thanking them for their gifts and providing the statement required by the IRS, if applicable, to the effect that no goods or services have been provided to the donor in consideration for the gift.

A receipt shall describe the gift received, including the amount of a gift of money or the quantity of a gift of property, but shall not state a valuation of any non-cash gift or property, except as may be required by federal or state statutes.

General tax information may be provided to potential donors as part of the planned gift development efforts of UUCA, but UUCA shall not provide any opinion to a donor regarding the tax consequences of a specific gift in the receipt or otherwise.

UUCA receipts and records shall always reflect the way the Congregation will use the planned gift (either in confirmation of the donor's wishes or in accordance with Board policy).

Periodic Review

Regular Review

Executive Limitation H of the Board’s Governance Document requires a review of all policies each year in order to report at the February Board meeting that “a complete and current set of Congregational policies is readily accessible to all members of the Congregation.”

Additionally, the Legacy Circle Committee commits to reviewing these policies in even numbered years, or as needed, to ensure that they continue to accurately and adequately describe the policies of UUCA with respect to acceptance of planned gifts, and shall propose to the Executive those revisions determined to be necessary or appropriate.

Special Review

The Legacy Circle Committee shall initiate a supplemental review of these policies prior to the start of a formal fundraising campaign other than the Annual Budget Drive. All proposed changes shall be subject to approval by the Executive.

Revision History	
Responsible Staff Member: Executive	
Date	Description of revision
May 2015	Created by Planned Giving Committee
January 2016	Re-formatted and name changes of Planned Giving Committee to Legacy Circle Committee and Fund B to Fund for the Future
March 2016	Changed name from Planned Gift Acceptance and Management by removing “Planned”
December 2018	Addressed donations of cryptocurrency plus minor wording changes

Attachment A
UNITARIAN UNIVERSALIST CONGREGATION OF ASHEVILLE
LEGACY INTENTION FORM



Please note: This declaration of intent is revocable and nonbinding.

CONFIDENTIAL

Our Congregation is continuing to build an endowment and other funds to secure its future. We have formed a Legacy Circle to recognize and thank generous individuals who have remembered the Unitarian Universalist Congregation of Asheville (UUCA) in an estate plan, through a bequest, a charitable gift annuity, a life insurance policy, a trust, or other financial instrument.

The Legacy Circle honors donors by inscribing their names on the Legacy Scroll of Honor displayed in Sandburg Hall. The amount of your legacy gift need not be revealed. New donors will be added periodically to the Scroll as UUCA is notified of gifts. Donors may choose to remain anonymous. If you have remembered our congregation in your estate planning, you are welcomed into the Legacy Circle.

Name
#1: _____ Birthdate: _____

Name
#2: _____ Birthdate: _____

Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Email: _____

- Yes, I/we have included the Unitarian Universalist Congregation of Asheville in my/our estate plans through my/our:
- | | | |
|----------------------------------|---|--------------------------------|
| <input type="checkbox"/> Will(s) | <input type="checkbox"/> Trust | <input type="checkbox"/> Other |
| <input type="checkbox"/> IRA(s) | <input type="checkbox"/> Life Insurance | |

My/our legacy gift is:

- Unrestricted (for on-going needs and special initiatives)
- Endowment (principal held in perpetuity)
- Restricted (for the purpose of _____)

Why did you decide to become a member of our Legacy Circle?

Do you wish to remain anonymous? Yes No

Please print your name(s) exactly as it/they should appear on the Legacy Society Scroll of Honor:

Signature #1: _____

Date: _____

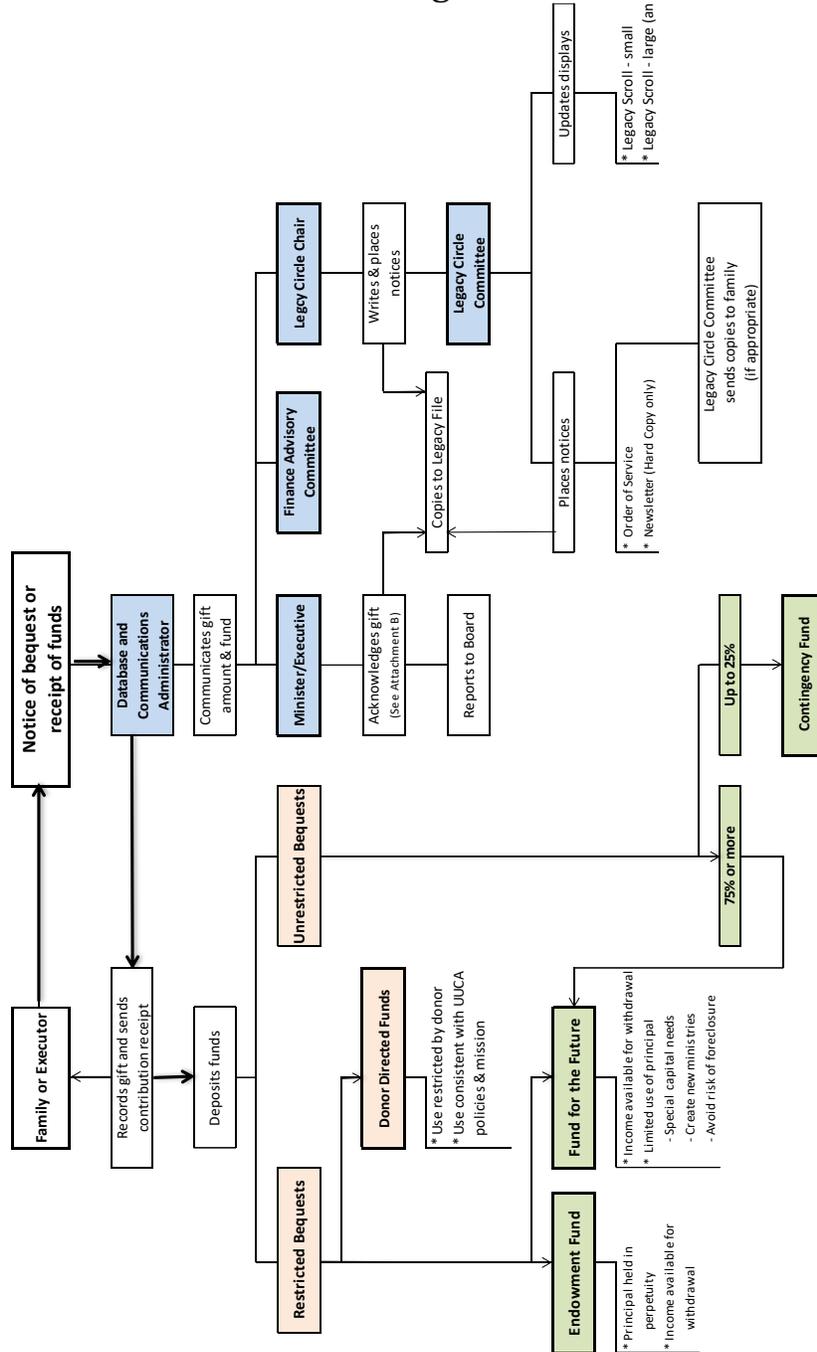
Signature #2 (if joint) : _____

Date: _____

Please return your completed form to UUCA Administration Office. Revised December 2018

Attachment B Gift Processing Procedures

ATTACHMENT C - Planned Gift Processing Procedures, Page 1



Gift Policy Attachment C
Revised 12/24/18

Attachment C
Sample Acknowledgement Letter from Lead Minister
(to be personalized)

Dear (NAME),

I have recently learned that you have added your name to the Legacy Circle, a growing group of congregants who are demonstrating their deep commitment to the Unitarian Universalist Congregation of Asheville. As a member of the Legacy Circle you are keeping alive the values and ideals that are so important to you, and you are helping to fund future ministries of the Congregation. As Lead Minister, I am thrilled and I know that the next generation of UU's will also be most appreciative.

We are proud to publish your name(s) in our Newsletter and add (it/them) to the framed Legacy Circle scroll that hangs over the fireplace in Sandburg Hall. Through this planned gift you are providing a powerful example for others. We update this list annually, and share memories of former members when Legacy Circle members meet periodically. If you would like the story of what the UUCA meant to you included in our archives, please send it to me and I'll ensure that it is preserved.

As you probably already know, our endowment funds are professionally managed in a socially responsible way by the UUA Endowment Fund to help us preserve and grow your gift. Your investment in UUCA and Unitarian Universalism is secure.

Again, please accept my deep appreciation for this commitment.

Sincerely,

Rev. Mark Ward
Lead Minister